



CITY OF PITTSBURG

AUGUST 17, 2026

**CITY HALL COUNCIL CHAMBER
65 CIVIC AVENUE, PITTSBURG, CA**

**REGULAR MEETING
7:00 PM**

**CITY COUNCIL
HOUSING AUTHORITY
PITTSBURG ARTS AND COMMUNITY FOUNDATION
PITTSBURG POWER COMPANY
SOUTHWEST PITTSBURG GEOLOGIC HAZARD ABATEMENT DISTRICT II
SUCCESSOR AGENCY**

PRESIDING

Mayor/Chair	• Dionne Adams
Vice-Mayor/Chair	• Angelica Lopez
Council Member/Board Member	• Juan Antonio Banales
Council Member/Board Member	• Arlene Kobata
Council Member/Board Member	• Jelani Killings

FOR HOUSING AUTHORITY

Housing Authority Member	• S.L. Floyd
Housing Authority Member	• Annie Hill Herring

Pittsburg City Council regular meetings are held the first and third Mondays of each month at 7:00 p.m. The Housing Authority meets in conjunction with the City Council on the third Monday of each month. The City Council also sits as the Board of Directors of several other City agencies.

Remote participation for Council meetings will be available via [Zoom](#):

- Webinar ID: 898 0554 4017
- By phone: (669) 900-6833

7:00 PM - CONVENE IN OPEN SESSION FOR REGULAR MEETING

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

HOUSING AUTHORITY

HOUSING AUTHORITY PUBLIC HEARING

1. Adoption of a Housing Authority Resolution Approving the Public Housing Agency Administrative Plan for 2026 and Directing the Executive Director to Submit the Public Housing Agency Administrative Plan for 2026 to the U.S. Department of Housing and Urban Development

As required compliance by the U.S. Department of Housing and Urban Development (HUD), the Housing Authority of the City of Pittsburgh (Housing Authority) has revised its Administrative Plan to incorporate significant modifications or amendments to policies that address the delivery of housing services in the community (Administrative Plan for 2026). The Administrative Plan outlines the policies and procedures of the Housing Authority.

HOUSING AUTHORITY CONSENT CALENDAR

2. Minutes of July 20, 2026
3. Adoption of a Housing Authority Resolution Approving the Section 8 Management Assessment Program Certification for Fiscal Year Ending June 30, 2026

As required for compliance with the U.S. Department of Housing and Urban Development (HUD), the Housing Authority of the City of Pittsburgh (Housing Authority) has prepared the Section 8 Management Assessment Program (SEMAP) Certification for submission for the fiscal year ending June 30, 2026.

HOUSING AUTHORITY MEMBER REMARKS

ADJOURNMENT OF THE HOUSING AUTHORITY

CITY COUNCIL

PROCLAMATIONS

The standing proclamation(s) were published as part of the agenda. The proclamation(s) will be posted on the City's website and social media accounts as appropriate.

4. Th!nk Pittsburgh – Nivagen

PUBLIC COMMENTS

Members of the audience who wish to address the City Council or Agency Boards on issues that are not scheduled for the agenda and on any items listed as part of the Consent Calendar should complete a Speaker's Card available at the dais. Please read the card carefully in order to fill out the card properly. Submit the completed card to the City Clerk before the item is called, preferably before the meeting begins. Individuals will be given three minutes to address the Council unless additional time is allowed as provided for spokespersons. Prior to speaking, each member of the public shall state their name and business and City of residence in a clear and audible tone of voice. (No Action Required)

COMMITTEE REPORTS

Council Members may make a report on their committee assignments at this time. (see attached list of adhoc committees and other public agencies in which Council members participate). (No Action Required)

COMBINED CITY COUNCIL, PITTSBURG POWER COMPANY AND PITTSBURG FINANCING AUTHORITY PUBLIC HEARING

5. Adoption of Pittsburg Power Company Resolutions Approving Island Energy's Fiscal Year 2026-2027 Proposed Utility Rates and Tariff Amendments for Electricity and Natural Gas Retail Services on Mare Island

Pittsburg Power Company (PPC), a Joint Powers Authority, provides utility retail electric and natural gas services on Mare Island, Vallejo, doing business as Island Energy (IE). PPC presents its proposed Fiscal Year (FY) 2026-27 utility rates and tariff amendments to the Governing Board of the Pittsburg Power Company for approval. Once adopted, the updated rates will take effect September 1, 2026.

6. Public Hearing and Adoption of Resolutions Authorizing Issuance and Sale of Special Tax Bonds of the City of Pittsburg, for and on behalf of Community Facilities District 2009-01 (San Marco), and Special Tax Revenue Bonds of the City of Pittsburg Public Financing Authority

To generate bond proceeds to pay for capital facilities of the City, including facilities already acquired from the Seeno Companies, the City of Pittsburg (the "City") proposes to issue \$25 million of special tax bonds ("City Bonds") for and on behalf of its Community Facilities District 2009-01 (San Marco) (the "CFD" or the "District"). Concurrently, the City of Pittsburg Public Financing Authority (the "Authority") will issue an equivalent \$25 million of special tax revenue bonds ("Authority Bonds") to purchase the City Bonds.

CONSIDERATION

7. Introduce and Waive First Reading of an Ordinance Adding Chapter 9.19 to the Pittsburg Municipal Code Regulating Open Fires

Staff requests that the City Council introduce and waive the first reading of an Ordinance adding Chapter 9.19, "Open Fires," to Title 9 of the Pittsburg Municipal Code, establishing rules governing open fires, fire pits, BBQ pits, and bonfires on City parks and public property in order to reduce fire hazards and protect public health and safety. Staff recommends introduction of the Ordinance at this meeting, with second reading and adoption to follow at a subsequent regular meeting.

8. Adoption of City Council Resolution authorizing the City Manager to execute a Purchase Order with GCS Environmental Equipment for one (1) new 2027 Freightliner M2 / Tymco 600 Street Sweeper for a total amount not to exceed \$415,023.27

This action authorizes the scheduled replacement of a critical Public Works street sweeper using a competitively solicited cooperative purchasing contract. City Council approval is necessary to meet the manufacturer's September 4, 2026 ordering deadline for the 2027 model year.

CONFLICT OF INTEREST STATEMENT

City Council/Agency Members may make any conflict of interest declarations pertaining to Consent Calendar items at this time.

COMBINED CITY COUNCIL, PITTSBURG ARTS AND COMMUNITY FOUNDATION, PITTSBURG POWER COMPANY, SOUTHWEST PITTSBURG GHAD II AND SUCCESSOR AGENCY CONSENT CALENDAR

9. Receive and File the Treasurer's Report for the Quarter Ending June 30, 2026

An Investment Summary Report is provided to the City Council for review for each fiscal quarter. The report includes the combined detailed information of the City and the Successor Agency's (Agency) investments, which are compliant with the City and Agency's Investment Policies. This Treasurer's Report is for fiscal quarter ending June 30, 2026.

10. Adoption by Motion to Approve a Leave of Absence for Planning Commissioner Jennifer Ingram

The City Council will be considering a leave of absence by a Planning Commissioner.

11. Adoption by Motion Directing Review of the City's Conflict of Interest Code

The Political Reform Act (Act) requires every local government agency to review its Conflict of Interest Code biennially to determine if it is accurate or if

needs to be amended. A conflict of interest code tells public officials, governmental employees, and consultants what financial interests they must disclose on their Statement of Economic Interests (Form 700). Once the determination has been made, a notice must be submitted to the code reviewing body no later than October 1 of even-numbered years.

12. Adoption of a City Council Resolution Authorizing an Agreement with TJKM Transportation Consultants for the Design of Project 2037 – Harbor Street Safety Improvements

Project 2037-Harbor Street Safety Improvements (Project) will improve Harbor Street by installing streetlights, improving traffic signal hardware and upgrading pedestrian crossings with enhanced safety features from Buchanan Road to East 3rd Street. This action authorizes the City Manager to execute a Consulting Services Agreement (Agreement) with TJKM Transportation Consultants for design of the Project.

13. Adoption of a City Council Resolution Authorizing the City Manager to Execute a First Amendment to the Consulting Services Agreement with Raney Planning and Management, Inc. for the Faria Development Project and Amending Fiscal Year 2026-27 Budget

The item would authorize the City Manager to execute a First Amendment to the Consulting Services Agreement with Raney Planning and Management, Inc. for environmental review services to comply with the California Environmental Quality Act (CEQA) for the Faria Development Project, AP-25-0050, a proposed residential subdivision on a 606-acre site. The City Council authorized the City Manager to execute the original Consulting Services Agreement on April 6, 2026, in Resolution No. 26-14759.

14. Adoption of a Pittsburg Power Company Resolution Approving the 2025 Annual Power Source Disclosure Report to the California Energy Commission

California Public Utilities Code Section 398.1(b) requires all retail suppliers of electricity products to file an annual report with the California Energy Commission (CEC) to disclose the sources or fuel types of power procured and sold to end-use customers. The Pittsburg Power Company (PPC) provides retail electricity service on Mare Island, Vallejo, under the name of Island Energy (IE) and is required by law to disclose the sources of its energy procurement and sales to its end users on Mare Island. The CEC requires the Governing Board of the Pittsburg Power Company to approve its 2025 Annual Power Source Disclosure Report (PSD Report).

15. Adoption of a Pittsburg Power Resolution Authorizing Pittsburg Power Company to Accept a BMO Irrevocable Letter of Credit and its Amendment No. 1 for the Alteration/Installation of Utility Facilities Agreement between PPC and ALCO Iron and Metals

Pittsburg Power Company (PPC) Resolution 26-498 executed the first amendment to the Agreement of Alteration/Installation of Utility Facilities

(Agreement) dated December 27, 2022 between PPC and ALCO Iron and Metals (ALCO), reducing the original loan amount from \$350,000 to \$265,000 based on pay back of principal. PPC requested an updated irrevocable Letter of Credit (LOC) from BMO Bank, ALCO's new banking institution, and amendments to guarantee automatic annual renewal of the LOC for successive periods and an extended expiration date to cover the full repayment period of the loan (Amendment No. 1).

16. Adoption of a City Council Resolution Authorizing the City Manager to Execute an Agreement with Revel Environmental Manufacturing, Inc., for the Maintenance of Citywide Full Trash Capture Devices

The City is required, under Provision C.10 of the National Pollutant Discharge Elimination System (NPDES) Municipal Regional Stormwater Permit, to reduce trash loads originating from medium to very high trash-generating areas. This is achieved through the installation and ongoing maintenance of full trash capture devices at storm drain inlets. This action authorizes the execution of a Consulting Services Agreement (Agreement) with Revel Environmental Manufacturing, Inc. to perform the required annual maintenance for the City's 418 installed full trash capture devices for Fiscal Year (FY) 2026/27.

COUNCIL REQUEST FOR FUTURE AGENDA ITEMS

Council Members may request items to be considered for future agendas. An item will only be brought forward with a majority vote and will appear on a future agenda with staff recommendations for further Council consideration.

COUNCIL MEMBER REMARKS

Council Members may make brief announcements or informal comments at this time. (No Action Required)

CITY MANAGER REPORTS/REMARKS

The City Manager may make brief announcements or informal comments at this time and brief the Council on items of interest. (No Action Required)

ADJOURNMENT TO SEPTEMBER 8, 2026

NOTICE TO PUBLIC

GENERAL INFORMATION

Agenda packets are published at least 72 hours in advance of a meeting on the City's website at www.pittsburgca.gov and are also available in person in the City Clerk's Office, 65 Civic Avenue, during normal business hours. If any reports or documents, which are disclosable public records, are distributed to the City Council less than 72 hours before the meeting, those reports or documents will be available for public inspection in the City Clerk's Office and on the day of the meeting in the Council Chamber at the public counter area below the dais.

SPEAKER'S CARD

Members of the audience who wish to address the City Council should complete a Speaker's Card available at the dais. Submit the completed card to the City Clerk preferably before the meeting begins or before the item is called. Individuals may be given up to three minutes to address the Council unless additional time is allowed as provided for spokespersons. Speakers are not permitted to yield their time to another speaker. Pursuant to the Brown Act, no action may be taken by the City Council on items not already on the agenda. However, the City Council may refer your comments/concerns to staff or request that the item be placed on a future agenda.

LIVE MEDIA BROADCASTING

City Council meetings are webcast live on the City's website at www.pittsburgca.gov on the Agendas and Live Meetings page. Watch the live meeting on the City's YouTube channel (@CityofPittsburg94565) or via the City's webcast on Comcast Channel 24 Delta TV, AT&T U-Verse Channel 99 Delta TV.

Remote participation is available via [Zoom](#).

- Webinar ID: 898 0554 4017
- By phone: (669) 900-6833

Remote Oral Public Comment - Speakers are asked to provide their name and city of residence for the record, although providing this is not required for participation. When the item is open for public comment, use the "Raise Hand" feature (or press *9 if connecting via telephone). When called, unmute your microphone and provide your comments.

PUBLIC HEARINGS

Persons who wish to speak on Public Hearings listed on the agenda will be heard when the Public Hearing is opened, except on Public Hearing items previously heard and closed to public comment. After the public has commented, the item is closed to public comment and brought to the Council/Agency level for discussion and action. Further comment from the audience will not be received unless requested by the Council/Agency. There is a 90-day limit for the filing of a challenge in the Superior Court to certain City administrative decisions and orders which require a hearing by law, the receipt of evidence, and the exercise of discretion. The 90-day limit begins on the date the decision is final (Code of Civil Procedure Section 1094.6). Further, if you challenge an action taken by the City Council in court, you may be limited, by California law, including but not limited to Government Code Section 65009, to raising only those issues you or someone else raised in the public hearing, or in written correspondence delivered to the City Council prior to or at the public hearing.

NOTICE TO THE DISABLED AND VISUALLY OR HEARING IMPAIRED

In compliance with the Americans with Disabilities Act, the City of Pittsburg will provide special assistance for disabled participants. Upon request, an agenda for any meeting shall be made available in appropriate alternative formats. The Council Chamber is equipped with sound amplifier units for use by the hearing impaired. The units operate in conjunction with the Chamber's sound system. You may request the sound amplifier from the City Clerk for personal use during Council meetings. If you need special assistance to participate in a meeting, or are requesting a specially formatted agenda, please contact the City Clerk at (925) 252-4850. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting or provide the requested agenda format (28 CFR 35.102-35.104 ADA Title II).

TECHNOLOGY DISRUPTION, DECORUM, AND DISRUPTIVE BEHAVIOR

The Technology Disruption, Decorum, and Disruptive Behavior policy for City Council Meetings was adopted to comply with Senate Bill 707 (2025). Pursuant to the policy, standards of decorum require in-person and remote public participants are to address the City Council as a whole, not individual members or staff; comments must be about the subject matter jurisdiction of the legislative body or agenda item, as applicable. In the event of willful disruption, the legislative body may order the room cleared, or the disruptive individual removed in compliance with state law. In the event of a technological disruption affecting remote participation, an announcement will be made, a recess will be called, staff will attempt to restore service, and the meeting may be resumed even with ongoing technological disruption if the legislative body makes findings required by state law. The entire policy may be viewed on the City's website at www.pittsburgca.gov on the City Council page under City Council Policies.

City Council Agency/Liaison/Subcommittee Assignments as of March 26, 2026

OUTSIDE AGENCY BOARDS	COUNCIL MEMBER(S)	TYPE	MEETS	TIME	STAFF
ABAG	Dionne Adams / Jelani Killings (Alt.)	Standing	Annual		D. Gale
Delta Diablo*	Jelani Killings / Arlene Kobata (Alt.)	Standing	2nd Wednesday	4:30 PM	J. Samuelson
East Co. Co. County Habitat Conservancy	Arlene Kobata / Juan Banales (Alt.)	Standing	4th Monday (Bi-Monthly)	1:30 PM	J. Davis
East County Water Management	Juan Banales / Jelani Killings (Alt.)	Standing	Bi-Annual	1:00 PM	J. Samuelson
MCE Clean Energy Board	Arlene Kobata / Angelica Lopez (Alt.)	Standing	3rd Thursday	6:30 PM	J. Davis
TRANSPLAN / ECCRFFA	Juan Banales / Dionne Adams (Alt.)	Standing	2nd Thursday	6:30 PM	J. Samuelson
Tri-Delta Transit (2 reps)**	Angelica Lopez & Dionne Adams / Arlene Kobata (Alt.)	Standing	4th Wednesday	4:00 PM	J. Samuelson
LIAISON	COUNCIL MEMBER(S)	TYPE	MEETS	TIME	STAFF
East Bay League of California Cities	Dionne Adams / Angelica Lopez (Alt.)	Standing	3rd Thursday		D. Gale
Green Empowerment Zone	Arlene Kobata / Jelani Killings (Alt.)	Standing	3rd Friday (Bi-Monthly)	9:30 AM	J. Davis
Los Medanos Health Advisory Committee	Arlene Kobata & Dionne Adams	Ad Hoc	As needed		D. Gale
Mayor's Conference	Dionne Adams / Angelica Lopez (Alt.)	Standing	1st Thursday	6:30 PM	D. Gale
School Districts Committee (2x2)	Jelani Killings & Angelica Lopez / Juan Banales (Alt.)	Standing	Quarterly		D. Gale
SUBCOMMITTEES	COUNCIL MEMBER(S)	TYPE	MEETS	TIME	STAFF
Community and Economic Development	Jelani Killings & Dionne Adams / Angelica Lopez (Alt.)	Standing	2nd Thursday	5:30 PM	J. Davis
Data Center and Hydrogen	Jelani Killings & Juan Banales	Ad Hoc	As needed		J. Davis
Development Agreement	Dionne Adams & Jelani Killings	Ad Hoc	As needed		J. Davis
Finance Management	Dionne Adams & Juan Banales / Jelani Killings (Alt.)	Standing	2nd Wednesday	5:30 PM	E. Adair
Infrastructure and Transportation	Juan Banales & Arlene Kobata / Dionne Adams (Alt.)	Standing	4th Thursday	5:30 PM	J. Samuelson
Tenant Protections	Juan Banales & Angelica Lopez	Ad Hoc	As needed		S. Bellafronte
Life Enrichment	Dionne Adams & Arlene Kobata / Jelani Killings (Alt.)	Standing	3rd Wednesday	5:30 PM	K. Simonton
Pittsburg Arts and Community Foundation	Angelica Lopez & Jelani Killings	Standing	As needed		K. Simonton
Public Safety	Juan Banales & Angelica Lopez / Arlene Kobata (Alt.)	Standing	1st Wednesday	5:30 PM	P. Galer

*Stipend of \$170 per month

** Stipend of 100 per month



CIUDAD DE PITTSBURG

17 DE AGOSTO DE 2026

**SALA DE SESIONES DEL AYUNTAMIENTO
65 CIVIC AVENUE, PITTSBURG, CA**

**REUNIÓN ORDINARIA
7:00 PM**

**CONSEJO MUNICIPAL
AUTORIDAD DE VIVIENDA
FUNDACIÓN DE ARTES Y COMUNIDAD DE PITTSBURG
COMPAÑÍA ELÉCTRICA DE PITTSBURG
DISTRITO II DE REDUCCIÓN DE PELIGROS GEOLÓGICOS DEL SUDOESTE DE
PITTSBURG
AGENCIA SUCESORA**

PRESIDIENDO

Alcalde/Presidente	• Dionne Adams
Vicealcalde/Presidente	• Angelica López
Miembro del Consejo/Miembro de la Junta	• Juan Antonio Banales
Miembro del Consejo/Miembro de la Junta	• Arlene Kobata
Miembro del Consejo/Miembro de la Junta	• Jelani Killings
<u>PARA LA AUTORIDAD DE VIVIENDA</u>	
Miembro de la Autoridad de Vivienda	• S.L. Floyd
Miembro de la Autoridad de Vivienda	• Annie Hill Herring

Las reuniones ordinarias del Consejo Municipal de Pittsburg se llevan acabo el primer y el tercer lunes de cada mes a las 7:00PM. La Autoridad de Vivienda se reúne conjuntamente con el Consejo Municipal el tercer lunes de cada mes. El Consejo Municipal también actúa como junta directiva de varias otras agencias municipales.

La participación remota en las reuniones del Consejo estará disponible a través de [Zoom](#):

- ID del seminario web: 898 0554 4017
- Por teléfono: (669) 900-6833

7:00 PM - INICIO DE LA SESIÓN PÚBLICA ORDINARIA

LLAMADA AL ORDEN

LISTA DE ASISTENCIA

JURAMENTO DE LEALTAD

AUTORIDAD DE VIVIENDA

AUDIENCIA PÚBLICA DE LA AUTORIDAD DE VIVIENDA

1. Adopción de una resolución de la Autoridad de Vivienda que aprueba el Plan Administrativo de la Agencia de Vivienda Pública para 2026 y ordena al Director Ejecutivo presentar el Plan Administrativo de la Agencia de Vivienda Pública para 2026 al Departamento de Vivienda y Desarrollo Urbano de EE. UU.

Según el cumplimiento requerido por el Departamento de Vivienda y Desarrollo Urbano de EE. UU. (HUD), la Autoridad de Vivienda de la Ciudad de Pittsburg (Autoridad de Vivienda) ha revisado su Plan Administrativo para incorporar modificaciones o enmiendas significativas a las políticas que abordan la prestación de servicios de vivienda en la comunidad (Plan Administrativo para 2026). El Plan Administrativo describe las políticas y procedimientos de la Autoridad de Vivienda.

CALENDARIO DE CONSENTIMIENTO DE LA AUTORIDAD DE VIVIENDA

2. Acta del 20 de julio de 2026
3. Adopción de una resolución de la Autoridad de Vivienda que aprueba la certificación del Programa de Evaluación de Gestión de la Sección 8 para el año fiscal que termina el 30 de junio de 2026

Como se requiere para cumplir con el Departamento de Vivienda y Desarrollo Urbano de EE. UU. (HUD), la Autoridad de Vivienda de la Ciudad de Pittsburg (Autoridad de Vivienda) ha preparado la Certificación del Programa de Evaluación de Gestión de la Sección 8 (SEMAP) para su presentación en el ejercicio fiscal que finaliza el 30 de junio de 2026.

COMENTARIOS DE MIEMBROS DE LA AUTORIDAD DE VIVIENDA

APLAZAMIENTO DE LA AUTORIDAD DE VIVIENDA

CONSEJO MUNICIPAL

PROCLAMACIONES

La(s) proclamación(es) permanente(s) se publicaron como parte de la agenda.
La(s) proclamación(es) se publicarán en la página web de la ciudad y en las redes sociales según corresponda.

4. Th!nk Pittsburg – Nivagen

COMENTARIOS PÚBLICOS

Los miembros del público que deseen dirigirse al Ayuntamiento o a las Juntas de Agencias sobre asuntos que no estén programados en la agenda y sobre cualquier punto listado en el Calendario de Consentimiento deben completar una Tarjeta de Portavoz disponible en el estrado. Por favor, lee la tarjeta detenidamente para rellenarla correctamente. Entrega la tarjeta completada al Secretario Municipal antes de que se llame el punto, preferiblemente antes de que comience la reunión. A las personas se les dará tres minutos para dirigirse al Consejo, a menos que se permita tiempo adicional según lo previsto para los portavoces. Antes de hablar, cada miembro del público deberá declarar su nombre, su negocio y la ciudad de residencia en un tono claro y audible. (No se requiere ninguna acción)

INFORMES DEL COMITÉS

Los miembros del Consejo pueden elaborar un informe sobre sus asignaciones en los comités en este momento. (véase la lista adjunta de comités ad hoc y otros organismos públicos en los que participan los miembros del Consejo). (No se requiere ninguna acción)

AUDIENCIA PÚBLICA COMBINADA DEL CONSEJO MUNICIPAL, COMPAÑÍA ELÉCTRICA DE PITTSBURG Y AUTORIDAD DE FINANCIAMIENTO DE PITTSBURG

5. Adopción de resoluciones de Compañía Eléctrica de Pittsburg que aprueban las tarifas propuestas de Island Energy para el año fiscal 2026-2027 y las enmiendas tarifarias para los servicios minoristas de electricidad y gas natural en Mare Island

Compañía Eléctrica de Pittsburg (PPC), una Autoridad de Potencias Conjuntas, ofrece servicios minoristas de electricidad y gas natural en Mare Island, Vallejo, operando bajo el nombre Island Energy (IE). PPC presenta sus tarifas y enmiendas de tarifas de servicios públicos propuestas para el Año Fiscal (FY) 2026-27 a la Junta de Gobierno de la Compañía Eléctrica de Pittsburg para su aprobación. Una vez adoptadas, las tarifas actualizadas entrarán en vigor el 1 de septiembre de 2026.

6. Audiencia pública y adopción de resoluciones que autorizan la emisión y venta de Bonos Fiscales Especiales de la Ciudad de Pittsburg, para y en nombre del Distrito de Instalaciones Comunitarias 2009-01 (San Marco), y de Bonos Especiales de Ingresos Fiscales de la Autoridad de Financiación Pública de la Ciudad de Pittsburg

Para generar los ingresos de los bonos que financien las instalaciones de capital de la Ciudad, incluidas las instalaciones ya adquiridas de las Empresas Seeno, la Ciudad de Pittsburg (la "Ciudad") propone emitir bonos fiscales especiales por valor de 25 millones de dólares ("Bonos de la Ciudad") para y en nombre de su Distrito de Instalaciones Comunitarias 2009-01 (San Marco) (el "CFD" o el "Distrito"). Simultáneamente, la Autoridad de Financiación Pública de la Ciudad de Pittsburg (la "Autoridad") emitirá un equivalente a 25 millones de dólares en bonos fiscales especiales ("Bonos de Autoridad") para comprar los Bonos de la Ciudad.

CONSIDERACIÓN

7. Introducir y renunciar a la primera lectura de una ordenanza que añade el Capítulo 9.19 al Código Municipal de Pittsburg que regula las hogueras abiertas

El personal solicita al Consejo Municipal que introduzca y exima la primera lectura de una Ordenanza que añade el Capítulo 9.19, "Fuegos a Cielo Abierto", al Título 9 del Código Municipal de Pittsburg, estableciendo normas que regulan las hogueras a cielo abierto, hogueras, barbacoas y hogueras en parques municipales y propiedades públicas para reducir los riesgos de incendio y proteger la salud y seguridad públicas. El personal recomienda la presentación de la Ordenanza en esta reunión, con la segunda lectura y adopción que se seguirán en una reunión ordinaria posterior.

8. Adopción de la Resolución del Consejo Municipal que autoriza al Administrador Municipal a ejecutar una Orden de Compra con GCS Environmental Equipment para uno (1) nuevo Freightliner M2 / Tymco 600 Street Sweeper 2027 por un importe total no superior a \$415,023.27

Esta acción autoriza la sustitución programada de una barrendera crítica de Obras Públicas mediante un contrato de compra cooperativa solicitado de forma competitiva. La aprobación del Consejo Municipal es necesaria para cumplir con la fecha límite de pedido del fabricante para el año modelo 2027, que es el 4 de septiembre de 2026.

DECLARACIÓN DE CONFLICTO DE INTERESES

Los miembros del Consejo Municipal o de la Agencia Municipal pueden hacer cualquier declaración de conflicto de intereses relacionada con los elementos del Calendario de Consentimiento en este momento.

CALENDARIO DE CONSENTIMIENTO COMBINADO DEL CONCEJO MUNICIPAL, LA FUNDACIÓN DE ARTES Y COMUNIDAD DE PITTSBURG, LA COMPAÑÍA ELÉCTRICA DE PITTSBURG, DISTRITO II DE REDUCCIÓN DE PELIGROS GEOLÓGICOS DEL SUDOESTE DE PITTSBURG Y LA AGENCIA SUCESORA

9. Recibir y presentar el informe del Tesorero correspondiente al trimestre que termina el 30 de junio de 2026

Se proporciona un Informe Resumen de Inversiones al Consejo Municipal para su revisión en cada trimestre fiscal. El informe incluye la información detallada combinada de las inversiones de la Ciudad y de la Agencia Sucesora (Agencia), que cumplen con las Políticas de Inversión de la Ciudad y la Agencia. Este Informe del Tesorero corresponde al trimestre fiscal que finaliza el 30 de junio de 2026.

10. Adopción mediante moción para aprobar una permiso de ausencia para la comisionada de urbanismo Jennifer Ingram

El Consejo Municipal considerará una excedencia de un Comisionado de Urbanismo.

11. Adopción por moción que ordena la revisión del Código de Conflictos de Intereses de la ciudad

La Ley de Reforma Política (Ley) exige que cada agencia gubernamental local revise su Código de Conflicto de Intereses cada dos años para determinar si es preciso o si necesita ser modificado. Un código de conflictos de intereses indica a funcionarios públicos, empleados gubernamentales y consultores qué intereses financieros deben revelar en su Declaración de Intereses Económicos (Formulario 700). Una vez tomada la determinación, debe presentarse un aviso al organismo revisor de código a más tardar el 1 de octubre de los años pares.

12. Adopción de una resolución del Consejo Municipal que autoriza un acuerdo con TJKM Transportation Consultants para el diseño del Proyecto 2037 – Mejoras en la seguridad en las calles del puerto

El Proyecto 2037-Mejoras en la Seguridad de Harbor Street (Proyecto) mejorará Harbor Street instalando farolas, mejorando el hardware de semáforos y mejorando los pasos peatonales con medidas de seguridad reforzadas desde Buchanan Road hasta East 3rd Street. Esta acción autoriza al Gerente Municipal a firmar un Acuerdo de Servicios de Consultoría (Acuerdo) con TJKM Transportation Consultants para el diseño del proyecto.

13. Adopción de una resolución del Consejo Municipal que autoriza al Gerente Municipal a ejecutar una Primera Enmienda al Acuerdo de Servicios de Consultoría con Raney Planning and Management, Inc. para el Proyecto de Desarrollo de Faria y modificando el presupuesto del año fiscal 2026-27

El punto autorizaría al Gerente Municipal a firmar una Primera Enmienda al Acuerdo de Servicios de Consultoría con Raney Planning and Management, Inc. para servicios de revisión medioambiental que cumplan con la Ley de Calidad Ambiental de California (CEQA) para el Proyecto de Desarrollo de Faira, AP-25-0050, una urbanización residencial propuesta en un terreno de 606 acres. El Consejo Municipal autorizó al Gerente Municipal a firmar el Acuerdo original de Servicios de Consultoría el 6 de abril de 2026, en la Resolución nº 26-14759.

14. Adopción de una resolución de la Pittsburg Power Company que aprueba el Informe Anual de Divulgación de Fuentes de Energía 2025 a la Comisión de Energía de California

La Sección 398.1(b) del Código de Servicios Públicos de California exige que todos los proveedores minoristas de productos eléctricos presenten un informe anual ante la Comisión de Energía de California (CEC) para revelar las fuentes o tipos de combustible de energía adquirida y vendida a los clientes de uso final. The Pittsburg Power Company (PPC) ofrece servicio minorista de electricidad en Mare Island, Vallejo, bajo el nombre de Island Energy (IE) y está obligada por ley a revelar las fuentes de su adquisición y venta de energía a sus usuarios finales en Mare Island. La CEC exige al Consejo de Gobierno de Pittsburg Power Company que apruebe su Informe Anual de Divulgación de Fuentes de Energía (Informe PSD) 2025.

15. Adopción de una Resolución de Pittsburg Power que autoriza a la Compañía Eléctrica de Pittsburg a aceptar una Carta de Crédito Irrevocable de la BMO y su Enmienda Nº 1 para la Alteración/Instalación de Instalaciones de Servicios Públicos entre PPC y ALCO Iron and Metals

La Resolución 26-498 de la Compañía Eléctrica de Pittsburg (PPC) ejecutó la primera enmienda al Acuerdo de Alteración/Instalación de Instalaciones de Servicios Públicos (Acuerdo) fechado el 27 de diciembre de 2022 entre PPC y ALCO Iron and Metals (ALCO), reduciendo el importe original del préstamo de 350.000 a 265.000 dólares en función del reembolso del principal. PPC solicitó una Carta de Crédito (LOC) irrevocable actualizada al Banco BMO, la nueva entidad bancaria de ALCO, y enmiendas para garantizar la renovación anual automática de la LOC por periodos sucesivos y una fecha de vencimiento extendida para cubrir el periodo completo de reembolso del préstamo (Enmienda nº 1).

16. Adopción de una resolución del Consejo Municipal que autoriza al gerente municipal a firmar un acuerdo con Revel Environmental Manufacturing, Inc., para el mantenimiento de dispositivos de captura total de basura en toda la ciudad

La Ciudad está obligada, según la Disposición C.10 del Permiso Regional Municipal de Aguas Pluviales del Sistema Nacional de Eliminación de Vertidos de Contaminantes (NPDES), a reducir las cargas de basura originadas en áreas de generación de basura de niveles medios a muy altos. Esto se consigue mediante la instalación y el mantenimiento continuo de

dispositivos completos de captura de basura en las entradas de drenaje pluvial. Esta acción autoriza la firma de un Acuerdo de Servicios de Consultoría (Acuerdo) con Revel Environmental Manufacturing, Inc. para realizar el mantenimiento anual requerido de los 418 dispositivos completos de recogida de basura instalados por la ciudad para el año fiscal (FY) 2026/27.

SOLICITUD DEL CONCEJO PARA INCLUIR TEMAS EN FUTURAS AGENDAS

Los miembros del Consejo pueden solicitar que se consideren ciertos temas para futuras agendas. Un tema solo se incluirá en la agenda con el voto mayoritario y aparecerá junto con las recomendaciones del personal para su posterior consideración por parte del Consejo.

COMENTARIOS DE LOS MIEMBROS DEL CONCEJO

Los miembros del Consejo pueden hacer breves anuncios o comentarios informales en este momento. (No se requiere ninguna acción)

INFORMES/OBSERVACIONES DEL ADMINISTRADOR MUNICIPAL

El administrador municipal podrá realizar breves anuncios o comentarios informales en este momento e informar al Consejo sobre asuntos de interés. (No se requiere ninguna acción).

APLAZAMIENTO HASTA EL 8 DE SEPTIEMBRE DE 2026

AVISO AL PÚBLICO

INFORMACIÓN GENERAL

Los paquetes de agenda se publican al menos 72 horas antes de una reunión en la página web de la Ciudad en www.pittsburgca.gov y también están disponibles en persona en la Oficina de la Secretaria Municipal, 65 Civic Avenue, durante el horario laboral normal. Si algún informe o documento, que sea un registro público divulgable, se distribuye al Consejo Municipal menos de 72 horas antes de la reunión, dichos informes o documentos estarán disponibles para su inspección pública en la Oficina de la Secretaria Municipal y el día de la reunión en la Sala del Consejo, en el área pública bajo el estrado.

TARJETA DEL PRESIDENTE

Los miembros del público que deseen dirigirse al Consejo Municipal deben completar una Tarjeta de Portavoz disponible en el estrado. Entrega la tarjeta completada a la Secretaria Municipal, preferiblemente antes de que comience la reunión o antes de que se trate el asunto de su interés. Se puede conceder hasta tres minutos para dirigirse al Consejo, salvo que se conceda tiempo adicional según lo previsto para los portavoces. No se permite a los oradores ceder su tiempo a otro orador. De acuerdo con la Ley Brown, el Consejo Municipal no podrá tomar ninguna acción sobre los puntos que no estén ya en la agenda. Sin embargo, el Consejo Municipal puede remitir tus comentarios o preocupaciones al personal o solicitar que el tema se incluya en una agenda futura.

MEDIOS DE TRANSMISIÓN

Las reuniones del Consejo Municipal se retransmiten en directo en la página web de la ciudad en www.pittsburgca.gov en la página de Agendas y Reuniones en Vivo. Mira la reunión en directo en el canal de YouTube de la Ciudad (@CityofPittsburg94565) o a través de la retransmisión por internet de Comcast Canal 24 Delta TV, AT&T U-Verse Canal 99 Delta TV.

La participación remota está disponible a través de [Zoom](#).

- ID del seminario web: 898 0554 4017
- Por teléfono: (669) 900-6833

Comentarios Públicos Orales A Distancia - Se pide a los ponentes que faciliten su nombre y ciudad de residencia para el acta, aunque no es necesario hacerlo para participar. Cuando el asunto de tu interés esté abierto para comentarios públicos, utiliza la función "Levantar la mano" (o pulsa *9 si te conectas por teléfono). Cuando te llamen, desactiva el micrófono y deja tus comentarios.

AUDIENCIAS PÚBLICAS

Las personas que deseen intervenir en las Audiencias Públicas listadas en la agenda serán escuchadas cuando se abra la Audiencia Pública, salvo en los puntos previamente escuchados y cerrados para comentarios públicos. Tras el comentario público, el tema se cierra a comentarios públicos y se lleva al nivel del Consejo o Agencia para su discusión y acción. No se recibirán más comentarios del público salvo que el Consejo o la Agencia lo solicite. Existe un límite de 90 días para presentar un recurso ante el Tribunal Superior contra determinadas decisiones y órdenes administrativas de la ciudad que requieran una audiencia legal, la recepción de pruebas y el ejercicio de la discreción. El plazo de 90 días comienza en la fecha en que la decisión es definitiva (Sección 1094.6 del Código de Procedimiento Civil). Además, si impugnas una acción tomada por el Ayuntamiento en los tribunales, puede que la ley de California, incluida pero no limitada a la Sección 65009 del Código de Gobierno, te limiten a plantear solo aquellas cuestiones que tú o otra persona planteen en la audiencia pública, o en correspondencia escrita entregada al Ayuntamiento antes o durante la audiencia pública.

AVISO A PERSONAS CON DISCAPACIDAD VISUAL O AUDITIVA

En cumplimiento con la Ley de Estadounidenses con Discapacidades, la ciudad de Pittsburg proporcionará asistencia especial a los participantes con discapacidad. A petición, se pondrá a disposición una agenda para cualquier reunión en formatos alternativos apropiados. La Cámara del Consejo está equipada con amplificadores de sonido para uso de personas con discapacidad auditiva. Las unidades funcionan en conjunto con el sistema de sonido de la Cámara. Puede solicitar el amplificador de sonido a la secretaria municipal para uso personal durante las reuniones del Consejo. Si necesita asistencia especial para participar en una reunión, o solicita un orden del día con formato especial, por favor contacte con la Secretaria Municipal en el (925) 252-4850. La notificación 48 horas antes de la reunión permitirá a la Ciudad tomar medidas razonables para garantizar la accesibilidad a la reunión o proporcionar el formato de la agenda solicitado (28 CFR 35.102-35.104 ADA Título II).

DISRUPCIÓN TECNOLÓGICA, DECORO Y COMPORTAMIENTOS DISRUPTIVOS

La política de Disrupción Tecnológica, Decuento y Comportamiento Disruptivo para las Reuniones del Consejo Municipal fue adoptada para cumplir con el Proyecto de Ley del Senado 707 (2025). De acuerdo con la política, los estándares de decoro exigen que los participantes públicos presenciales y remotos se dirijan al Consejo Municipal en su conjunto, no a miembros individuales o empleados; los comentarios deben referirse a la jurisdicción del órgano legislativo o al punto del orden del día, según corresponda. En caso de interrupción intencionada, el órgano legislativo puede ordenar que se desaloje la sala o que se desaloje a la persona disruptiva en cumplimiento de la ley estatal. En caso de una interrupción tecnológica que afecte a la participación remota, se hará un anuncio, se convocará un receso, el personal intentará restablecer el servicio y la reunión podrá reanudarse incluso con la interrupción tecnológica en curso si el órgano legislativo emite conclusiones exigidas por la ley estatal. La política completa puede consultarse en la página web de la Ciudad en www.pittsburgca.gov en la página del Consejo Municipal bajo Políticas del Consejo Municipal.

ASIGNACIONES DEL CONCEJO MUNICIPAL A AGENCIAS, ENLACES Y SUBCOMITÉS (26 de Marzo 2026)

JUNTA DIRECTIVA DE AGENCIAS EXTERNAS	MIEMBRO(S) DEL CONSEJO	TIPO	FRECUENCIA	HORARIO	PERSONAL
ABAG	Dionne Adams / Jelani Killings (Alt.)	recurrente	Anual		D. Gale/M. Aliotti
Delta Diablo*	Jelani Killings / Arlene Kobata (Alt.)	recurrente	2do miércoles	4:30 PM	J. Samuelson
East Co. Co. County Habitat Conservancy	Arlene Kobata / Juan Banales (Alt.)	recurrente	4to lunes (Bi-Mensual)	1:30 PM	J. Davis
East County Water Management	Juan Banales / Jelani Killings (Alt.)	recurrente	Bi-Anual	1:00 PM	J. Samuelson
MCE Clean Energy Board	Arlene Kobata / Angelica Lopez (Alt.)	recurrente	3er jueves	6:30 PM	J. Davis
TRANSPLAN / ECCRFFA	Juan Banales / Dionne Adams (Alt.)	recurrente	2do jueves	6:30 PM	J. Samuelson
Tri-Delta Transit (2 reps)**	Angelica Lopez & Dionne Adams / Arlene Kobata (Alt.)	recurrente	4to miércoles	4:00 PM	J. Samuelson
ENLACE	MIEMBRO(S) DEL CONSEJO	TIPO	FRECUENCIA	HORARIO	PERSONAL
East Bay League of California Cities	Dionne Adams / Angelica Lopez (Alt.)	recurrente	3er jueves		D. Gale/M. Aliotti
Green Empowerment Zone	Arlene Kobata / Jelani Killings (Alt.)	recurrente	3er viernes (Bi-Mensual)	9:30 AM	J. Davis
Los Medanos Health Advisory Committee	Arlene Kobata & Dionne Adams	Ad Hoc	Según Sea Necesario	5:00 PM	D. Gale/M. Aliotti
Mayor's Conference	Dionne Adams / Angelica Lopez (Alt.)	recurrente	1er jueves	6:30 PM	D. Gale/M. Aliotti
School Districts Committee (2x2)	Jelani Killings & Angelica Lopez / Juan Banales (Alt.)	recurrente	Trimestral		D. Gale/M. Aliotti
SUBCOMITÉS	MIEMBRO(S) DEL CONSEJO	TIPO	FRECUENCIA	HORARIO	PERSONAL
Community and Economic Development	Jelani Killings & Dionne Adams / Angelica Lopez (Alt.)	recurrente	2do jueves	5:30 PM	J. Davis
Data Center and Hydrogen	Jelani Killings & Juan Banales	Ad Hoc	Según Sea Necesario		J. Davis
Development Agreement	Dionne Adams & Jelani Killings	Ad Hoc	Según Sea Necesario		J. Davis
Finance Management	Dionne Adams & Juan Banales / Jelani Killings (Alt.)	recurrente	2do miércoles	5:30 PM	E. Adair
Infrastructure and Transportation	Juan Banales & Arlene Kobata / Dionne Adams (Alt.)	recurrente	4to jueves	5:30 PM	J. Samuelson
Tenant Protections	Juan Banales & Angelica Lopez	Ad Hoc	Según Sea Necesario		S. Bellafronte
Life Enrichment	Dionne Adams & Arlene Kobata / Jelani Killings (Alt.)	recurrente	3er miércoles	5:30 PM	K. Simonton
Pittsburg Arts and Community Foundation	Angelica Lopez & Jelani Killings	recurrente	Según Sea Necesario		K. Simonton
Public Safety	Juan Banales & Angelica Lopez / Arlene Kobata (Alt.)	recurrente	1er miércoles	5:30 PM	P. Galer

*Sueldo de \$170 por mes

** Sueldo de \$100 por mes



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Chair and Governing Board Members

FROM: Darin E. Gale, Executive Director
Tanya Ray, Housing Manager

SUBJECT: Adoption of a Housing Authority Resolution Approving the Public Housing Agency Administrative Plan for 2026 and Directing the Executive Director to Submit the Public Housing Agency Administrative Plan for 2026 to the U.S. Department of Housing and Urban Development

EXECUTIVE SUMMARY

As required compliance by the U.S. Department of Housing and Urban Development (HUD), the Housing Authority of the City of Pittsburg (Housing Authority) has revised its Administrative Plan to incorporate significant modifications or amendments to policies that address the delivery of housing services in the community (Administrative Plan for 2026). The Administrative Plan outlines the policies and procedures of the Housing Authority.

FISCAL IMPACT

Adoption of the Administrative Plan for 2026 has no fiscal impact to the General Fund.

RECOMMENDATION

Staff recommends the Governing Board of the Housing Authority open the public hearing, receive public comment, close the public hearing, and adopt a resolution approving the Administrative Plan for 2026.

BACKGROUND

Significant modifications to the Administrative Plan for 2024 were required to ensure compliance with the Housing Opportunity Through Modernization Act of 2016 (HOTMA). In December 2024, HUD issued Notice PIH 2024-38, which required certain

provisions of sections 102 and 104 of HOTMA (HOTMA 102/104) to be implemented no later than July 1, 2025. HUD extended the compliance date for full HOTMA implementation to January 1, 2027. The Administrative Plan for 2026 demonstrates full compliance.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

STAFF ANALYSIS

The Administrative Plan is the Housing Authority's principal policy document for administration of the Housing Choice Voucher Program. It establishes how the Housing Authority applies federal requirements and exercises the areas of discretion HUD delegates to local housing agencies. The Plan addresses matters including applicant selection, eligibility, income and asset determinations, rent calculations, inspections, occupancy, continued assistance, terminations, informal reviews and hearings, and other program-administration requirements.

The proposed 2026 Administrative Plan incorporates revisions needed to align the Housing Authority's written policies with current HUD regulations, notices, and operating guidance. The changes clarify existing requirements, update terminology and procedures, and document how the Housing Authority will administer new or revised federal requirements.

A significant portion of the update concerns the Housing Opportunity Through Modernization Act of 2016 (HOTMA). HOTMA made substantial changes to federal requirements governing income reviews, calculation of annual and adjusted income, treatment of family assets, deductions, interim reexaminations, and related program policies. HUD Notice PIH 2024-38 required housing agencies to implement specified provisions of HOTMA Sections 102 and 104 by July 1, 2025, while implementation of other provisions remains subject to HUD's applicable guidance and systems readiness. The July 2025 deadline was later extended to January 1, 2027.

The proposed Plan incorporates the HOTMA provisions currently applicable to the Housing Authority and establishes the policies needed to support continued implementation as additional HUD requirements become operative. The Plan also addresses HUD's National Standards for the Physical Inspection of Real Estate (NSPIRE). HUD has extended the compliance date for Housing Choice Voucher, Project-Based Voucher, and Section 8 Moderate Rehabilitation programs through January 31, 2027. Accordingly, the Housing Authority will continue using the existing Housing Quality Standards inspection framework until the required transition in 2027.

The proposed revisions are primarily administrative and regulatory. They are not intended to reduce assistance, remove existing procedural protections, or otherwise negatively affect participating families. Adoption of the updated Plan will provide staff

with a current and Governing Board-approved framework for administering the Housing Choice Voucher Program. It will also reduce the risk of inconsistency between the Housing Authority's written policies, its actual operating practices, and HUD's requirements.

The Housing Authority published notice of the proposed Administrative Plan and public hearing on June 30, 2026. As of the preparation of this report, no written comments had been received. Any comments received before or during the public hearing will be presented to and considered by the Governing Board before it takes action on the proposed Plan.

ATTACHMENTS: Resolution
Administrative Plan 2026 Changes

BEFORE THE GOVERNING BOARD OF THE HOUSING AUTHORITY
OF THE CITY OF PITTSBURG

In the Matter of:

Approving the Public Housing Agency)
Administrative Plan for 2026 and Directing the)
Executive Director to Submit the Public)
Housing Agency Administrative Plan for 2026)
To the U.S. Department of Housing and Urban)
Development)

RESOLUTION NO. 26-

WHEREAS, the Housing Authority of the City of Pittsburgh (“Housing Authority”) administers the Housing Choice Voucher Program in accordance with regulations and guidance issued by the U.S. Department of Housing and Urban Development (“HUD”); and

WHEREAS, the Housing Authority’s Administrative Plan establishes the local policies and procedures governing its administration of the Housing Choice Voucher Program; and

WHEREAS, the Housing Authority has prepared an updated Administrative Plan for 2026 to incorporate applicable federal requirements and guidance, clarify existing policies and procedures, and reflect current program operations; and

WHEREAS, as required by law, a public notice was published on the Housing Authority website on June 30, 2026, commencing the 45-day period to submit written comments; and

WHEREAS, the public notice was published in the East County Times on July 1, 2026; and

WHEREAS, on August 17, 2026, the Governing Board conducted a duly noticed public hearing at which it received and considered all written and oral comments concerning the proposed Administrative Plan for 2026; and

WHEREAS, adoption of the updated Administrative Plan will provide the Housing Authority with a current policy framework for administering the Housing Choice Voucher Program in accordance with applicable HUD requirements; and

WHEREAS, the adoption of the Housing Authority Administrative Plan for 2026 is in the best interest of the residents of Pittsburgh.

NOW, THEREFORE, BE IT RESOLVED that the Governing Board of the Housing Authority of the City of Pittsburgh hereby finds the Administrative Plan for 2026 to be a thorough and complete document, approves the Administrative Plan for 2026, and directs the Executive Director to submit the Administrative Plan for 2026 to HUD.

PASSED AND ADOPTED by the Governing Board of the Housing Authority of the City of Pittsburgh at a regular meeting on the 17th day of August 2026, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

ATTEST:

Dionne Adams, Chair

Alice E. Evenson, Agency Secretary

Administrative Plan 2026 Changes

Chapter 3

- Citizenship and eligibility status for assistance clarified
- Screening eligibility expanded to all states of previous residence
- References added

Chapter 5

This chapter contains one correction for insufficient funding after voucher issuance.

Chapter 6

- This chapter no longer has Chapter 6.A. and Chapter 6.B. as the chapter incorporates all HOTMA 102/104 changes
- Removed “UNDER HOTMA 102/104”
- Clarified assistance under Student Financial Assistance
- Clarified Alimony and Child Support
- Hardship Exemptions expanded

Chapter 7

- This chapter no longer has Chapter 7.A. and Chapter 7.B. as the chapter incorporates all HOTMA 102/104 changes
- Removed “UNDER HOTMA 102/104”
- Expanded guidelines regarding the Deceased Tenants Report
- Clarified assistance under Student Financial Assistance

Chapter 8

HUD extended the NSPIRE-V compliance date to February 1, 2027.

Chapter 11

- This chapter no longer has Chapter 11.A. and Chapter 11.B. as the chapter incorporates all HOTMA 102/104 changes
- Removed “UNDER HOTMA 102/104”
- HUD recommendations for documenting Interim Reexaminations and reported changes
- Conducting Interim Reexaminations guidelines

Chapter 12

- Clarified timeline of termination of assistance for death of the Sole Family Member
- Clarified termination of assistance for Family Absence from the Unit
- Added cost saving measures for insufficient funding

Chapter 13

Verbiage added to Change in Ownership for new owners and documentation.

Chapter 14

- Revised amount of federal awards required to have an independent audit.
- Revised section on De Minimis Errors to be effective prior to the PHA's general HOTMA 102/104 compliance date as required by Notice PIH 2024-38.

Chapter 17

Exhibits added for Project Based Vouchers

Chapter 19

Removed language regarding Social Security Number and Citizenship Status Verification for the Stability Voucher Program.

Glossary

- Added additional acronyms and definitions
- Removed HIP (Housing Information Portal), JPTA (Job Training Partnership Act) and references, "Prior to PHA implementation of HOTMA 102/104 and Upon PHA implementation of HOTMA 102/104"
- Removed "Income for eligibility. Annual income"
- Added Unrestricted net asset (UNA) accounts and Upfront income verification (UIV)

**CITY OF PITTSBURG
HOUSING AUTHORITY MEETING MINUTES**

DATE: July 20, 2026

LOCATION: Council Chamber, City Hall, 65 Civic Avenue, Pittsburg, CA 94565

CITY COUNCIL/AGENCY MEMBERS

Dionne Adams, Mayor/Chair
Angelica Lopez, Vice-Mayor/Chair
Juan Antonio Banales, Council/Agency Member
Arlene Kobata, Council/Agency Member
Jelani Killings, Council/Agency Member
S.L. Floyd, Agency Member
Annie Hill Herring, Agency Member

APPOINTED OFFICIALS

Darin E. Gale, City Manager/Executive Director
Donna Mooney, City Attorney/Legal Counsel
Alice E. Evenson, City Clerk/Agency Secretary (elected)
Nancy Parent, City Treasurer (elected)

Chair Adams called the meeting of the Housing Authority to order at 7:03 P.M. in the Council Chamber at City Hall, 65 Civic Avenue Pittsburg, CA.

ROLL CALL

Vice Chair Lopez was absent and excused.

Member Herring arrived at 7:04 P.M., after roll call.

CONSIDERATION

1. Adoption of a Housing Authority Resolution to: 1) Amend the Housing Authority Budget to Allocate and Appropriate Funds; and 2) Authorize the Executive Director to Execute a Forgivable Loan Agreement and Associated Transaction Documents with Village of Hope Pittsburg LLC to Support the Construction of Transitional Age Youth (TAY) Housing at 5305 Kirker Pass Road

On Motion by Member Floyd, seconded by Member Herring and adopted by the following vote:

AYES: Banales, Floyd, Herring, Killings, Kobata, Adams
ABSENT: Lopez

CONSENT CALENDAR

On Motion by Member Floyd, seconded by Member Herring and adopted by the following vote:

AYES: Banales, Floyd, Herring, Killings, Kobata, Adams

ABSENT: Lopez

2. Minutes of June 15, 2026

HOUSING AUTHORITY MEMBER REMARKS

Member Floyed stated that he was grateful to everyone in attendance noting it provided an opportunity to see their care and progress to ensure the community's housing needs.

ADJOURNMENT

The Housing Authority adjourned at 7:39 P.M.

Respectfully submitted,

Alice E. Evenson, Secretary



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Chair and Governing Board Members

FROM: Darin E. Gale, Executive Director
Tanya Ray, Housing Manager

SUBJECT: Adoption of a Housing Authority Resolution Approving the Section 8 Management Assessment Program Certification for Fiscal Year Ending June 30, 2026

EXECUTIVE SUMMARY

As required for compliance with the U.S. Department of Housing and Urban Development (HUD), the Housing Authority of the City of Pittsburg (Housing Authority) has prepared the Section 8 Management Assessment Program (SEMAP) Certification for submission for the fiscal year ending June 30, 2026.

FISCAL IMPACT

Approving the SEMAP has no fiscal impact on the General Fund or the Housing Authority Funds.

RECOMMENDATION

Staff recommends the Governing Board of the Housing Authority adopt the Resolution approving the SEMAP Certification for the fiscal year ending June 30, 2026, and directing submission to HUD no later than the August 30, 2026, deadline.

BACKGROUND

In 1999, HUD introduced SEMAP as a management assessment system designed to provide an annual measurement of performance for all housing authorities administering the Section 8 Housing Choice Voucher program. HUD requires SEMAP Certification be approved by resolution of the governing body and transmitted electronically through HUD's Public and Indian Housing Information Center (PIC) system within 60 days of the end of the fiscal year.

The SEMAP system assesses the Housing Authority on 14 key indicators that show whether families are assisted fairly and expeditiously and in accordance with the Federal regulations governing the program. These indicators are:

- 1) Selection from Waiting List;
- 2) Reasonable Rent;
- 3) Determination of Adjusted Income;
- 4) Utility Allowance Schedule;
- 5) Housing Quality Standards (HQS) Quality Control;
- 6) HQS Enforcement;
- 7) Expanding Housing Opportunities;
- 8) Payment Standards;
- 9) Annual Reexaminations;
- 10) Correct Tenant Rent Calculations;
- 11) Pre-contract HQS;
- 12) Annual HQS;
- 13) Lease Up (Utilization); and
- 14) Family Self-Sufficiency.

Eight indicators are based on information certified by the Housing Authority, and the remaining six indicators are based on HUD's PIC system data. Upon review of this SEMAP Certification by HUD, a determination will be made on the operational designation and regulatory compliance of the Housing Authority.

It is of note that Indicator 14, "Family Self-Sufficiency," is rated for those housing authorities operating a Family Self-Sufficiency (FSS) Program and have an FSS Coordinator. As the Housing Authority of the City of Pittsburgh does not operate this program, it is assessed on the remaining 13 indicators.

Within the 13 applicable indicators, there is a cumulative 135-point total scale. Attainment of 122 or more points (a 90% score) will yield a designation of "High Performer," while a score between 81 and 121 points (60-89%) will yield a designation of "Standard Performer," and a score of less than 80 points (60%) will yield a designation of "Troubled Performer." HUD will conduct onsite reviews of housing authorities rated as Troubled Performers to assess the magnitude and severity of potential issues.

SUBCOMMITTEE FINDINGS

This item was not discussed in a subcommittee.

STAFF ANALYSIS

The proposed SEMAP Certification reports the Housing Authority's performance in administering the Housing Choice Voucher Program during the fiscal year ending June 30, 2026. The Certification is based on program records, quality-control reviews,

inspection activity, participant files, rent calculations, utilization information, and other data maintained by or reported to HUD during the assessment period.

Based on the results reflected in the attached Certification, staff anticipates that the Housing Authority will receive a score sufficient to maintain its High Performer designation. This anticipated result indicates that the Housing Authority continues to meet HUD's standards across the applicable areas of program administration, including participant selection, income and rent determinations, housing quality inspections and enforcement, payment standards, annual reexaminations, and voucher utilization.

The Governing Board's action does not determine the Housing Authority's final score or performance designation. HUD will calculate or validate the applicable indicators, review the Housing Authority's certified information, and issue the official SEMAP score and designation. Board approval authorizes the Housing Authority to certify the accuracy of its reported performance and complete the required federal submission.

Timely submission is a material compliance requirement. Failure to submit the Certification by HUD's deadline could adversely affect the Housing Authority's performance designation and subject it to additional HUD oversight or corrective requirements. Approval at this meeting will allow staff to submit the Certification before the federal deadline.

Adopting the Resolution will, therefore, satisfy the governing-body approval requirement, support the Housing Authority's continued compliance with federal Housing Choice Voucher Program requirements, and permit HUD to complete its annual assessment of the Housing Authority's program administration.

ATTACHMENTS: Resolution
Section 8 Management Assessment Program Certification

BEFORE THE GOVERNING BOARD OF THE HOUSING AUTHORITY
OF THE CITY OF PITTSBURG

In the Matter of:

Approving the Section 8 Management)
Assessment Program Certification for)
Fiscal Year End June 30, 2026)

RESOLUTION NO. 26-

WHEREAS, in 1999, the U.S. Department of Housing and Urban Development (HUD), introduced the Section 8 Management Assessment Program (SEMAP) as a management assessment system designed to provide an annual measurement of performance for all housing authorities administering the Section 8 Housing Choice Voucher program; and

WHEREAS, HUD requires SEMAP Certification be approved by resolution of the governing body and transmitted electronically through HUD's Public and Indian Housing Information Center (PIC) system within 60 days following the end of the fiscal year; and

WHEREAS, the SEMAP system assesses housing authorities on 14 key indicators that show whether families are assisted fairly and expeditiously and in accordance with the Federal regulations governing the program. These fourteen (14) indicators are: 1) Selection from the Waiting List; 2) Reasonable Rent; 3) Determination of Adjusted Income; 4) Utility Allowance Schedule; 5) Housing Quality Standards (HQS) Quality Control; 6) HQS Enforcement; 7) Expanding Housing Opportunities; 8) Payment Standards; 9) Annual Reexaminations; 10) Correct Tenant Rent Calculations; 11) Pre-contract HQS; 12) Annual HQS; 13) Lease Up (Utilization); and 14) Family Self-Sufficiency; and

WHEREAS, eight indicators are based on information certified by the Housing Authority of the City of Pittsburgh (Housing Authority) and the remaining six indicators are based on HUD's PIC system data; and

WHEREAS, Indicator 14, Family Self-Sufficiency, is rated for those housing authorities operating a Family Self-Sufficiency (FSS) Program and have an FSS Coordinator. The Housing Authority does not operate this program and is, therefore, assessed on the remaining 13 indicators for a maximum of 135 points; and

WHEREAS, the Housing Authority has identified policies, procedures and management practices to ensure compliance with SEMAP indicators identified by HUD; and

WHEREAS, upon review of this SEMAP Certification by HUD, a determination will be made on the operational designation and regulatory compliance of the Housing Authority.

NOW, THEREFORE, BE IT RESOLVED the Governing Board of the Housing Authority finds and determines that the SEMAP Certification for Fiscal Year End June 30, 2026, is a thorough and complete document, and supports the Housing Authority's

policies, procedures and management practices; and

BE IT FURTHER RESOLVED that the Governing Board of the Housing Authority hereby approves the SEMAP Certification for submission and Exhibit A incorporated herein by this reference; and

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized to take such further actions as may be necessary or appropriate to carry out the Housing Authority's obligations pursuant to this Resolution.

PASSED AND ADOPTED by the Governing Board of the Housing Authority of the City of Pittsburgh at a regular meeting on the 17th day of August 2026, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

ATTEST:

Dionne Adams, Chair

Alice E. Evenson, Agency Secretary

Section 8 Management Assessment Program (SEMAP) Certification

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0215
(exp. 12/31/2026)

Public reporting burden for this collection of information is estimated to average 12 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number.

This collection of information is required by 24 CFR sec 985.101 which requires a Public Housing Agency (PHA) administering a Section 8 tenant-based assistance program to submit an annual SEMAP Certification within 60 days after the end of its fiscal year. The information from the PHA concerns the performance of the PHA and provides assurance that there is no evidence of seriously deficient performance. HUD uses the information and other data to assess PHA management capabilities and deficiencies, and to assign an overall performance rating to the PHA. Responses are mandatory and the information collected does not lend itself to confidentiality.

Instructions Respond to this certification form using the PHA's actual data for the fiscal year just ended.

PHA Name	For PHA FY Ending (mm/dd/yyyy)	Submission Date (mm/dd/yyyy)
Housing Authority - City of Pittsburgh CA060	06/30/2026	08/21/2026

Check here if the PHA expends less than \$300,000 a year in Federal awards ☐

Indicators 1 - 7 will not be rated if the PHA expends less than \$300,000 a year in Federal awards and its Section 8 programs are not audited for compliance with regulations by an independent auditor. A PHA that expends less than \$300,000 in Federal awards in a year must still complete the certification for these indicators.

Performance Indicators

1. Selection from the Waiting List. (24 CFR 982.54(d)(1) and 982.204(a))

(a) The PHA has written policies in its administrative plan for selecting applicants from the waiting list.

PHA Response Yes ☒ No ☐

(b) The PHA's quality control samples of applicants reaching the top of the waiting list and of admissions show that at least 98% of the families in the samples were selected from the waiting list for admission in accordance with the PHA's policies and met the selection criteria that determined their places on the waiting list and their order of selection.

PHA Response Yes ☒ No ☐

2. Reasonable Rent. (24 CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507)

(a) The PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units (i) at the time of initial leasing, (ii) before any increase in the rent to owner, and (iii) at the HAP contract anniversary if there is a 5 percent decrease in the published FMR in effect 60 days before the HAP contract anniversary. The PHA's method takes into consideration the location, size, type, quality, and age of the program unit and of similar unassisted units, and any amenities, housing services, maintenance or utilities provided by the owners.

PHA Response Yes ☒ No ☐

(b) The PHA's quality control sample of tenant files for which a determination of reasonable rent was required shows that the PHA followed its written method to determine reasonable rent and documented its determination that the rent to owner is reasonable as required for (check one):

PHA Response ☒ At least 98% of units sampled ☐ 80 to 97% of units sampled ☐ Less than 80% of units sampled

3. Determination of Adjusted Income. (24 CFR part 5, subpart F and 24 CFR 982.516)

The PHA's quality control sample of tenant files shows that at the time of admission and reexamination, the PHA properly obtained third party verification of adjusted income or documented why third party verification was not available; used the verified information in determining adjusted income; properly attributed allowances for expenses; and, where the family is responsible for utilities under the lease, the PHA used the appropriate utility allowances for the unit leased in determining the gross rent for (check one):

PHA Response ☐ At least 90% of files sampled ☒ 80 to 89% of files sampled ☐ Less than 80% of files sampled

4. Utility Allowance Schedule. (24 CFR 982.517)

The PHA maintains an up-to-date utility allowance schedule. The PHA reviewed utility rate data that it obtained within the last 12 months, and adjusted its utility allowance schedule if there has been a change of 10% or more in a utility rate since the last time the utility allowance schedule was revised.

PHA Response Yes ☒ No ☐

5. HQS Quality Control Inspections. (24 CFR 982.405(b))

A PHA supervisor (or other qualified person) reinspected a sample of units during the PHA fiscal year, which met the minimum sample size required by HUD (see 24 CFR 985.2), for quality control of HQS inspections. The PHA supervisor's reinspected sample was drawn from recently completed HQS inspections and represents a cross section of neighborhoods and the work of a cross section of inspectors.

PHA Response Yes ☒ No ☐

6. HQS Enforcement. (24 CFR 982.404)

The PHA's quality control sample of case files with failed HQS inspections shows that, for all cases sampled, any cited life-threatening HQS deficiencies were corrected within 24 hours from the inspection and, all other cited HQS deficiencies were corrected within no more than 30 calendar days from the inspection or any PHA-approved extension, or, if HQS deficiencies were not corrected within the required time frame, the PHA stopped housing assistance payments beginning no later than the first of the month following the correction period, or took prompt and vigorous action to enforce the family obligations for (check one):

PHA Response ☒ At least 98% of cases sampled ☐ Less than 98% of cases sampled

7. Expanding Housing Opportunities. (24 CFR 982.54(d)(5), 982.153(b)(3) and (b)(4), 982.301(a) and 983.301(b)(4) and (b)(12)).

Applies only to PHAs with jurisdiction in metropolitan FMR areas.

Check here if not applicable ☒

(a) The PHA has a written policy to encourage participation by owners of units outside areas of poverty or minority concentration which clearly delineates areas in its jurisdiction that the PHA considers areas of poverty or minority concentration, and which includes actions the PHA will take to encourage owner participation.

PHA Response Yes ☒ No ☐

(b) The PHA has documentation that shows that it took actions indicated in its written policy to encourage participation by owners outside areas of poverty and minority concentration.

PHA Response Yes ☒ No ☐

(c) The PHA has prepared maps that show various areas, both within and neighboring its jurisdiction, with housing opportunities outside areas of poverty and minority concentration; the PHA has assembled information about job opportunities, schools and services in these areas; and the PHA uses the maps and related information when briefing voucher holders.

PHA Response Yes ☒ No ☐

(d) The PHA's information packet for voucher holders contains either a list of owners who are willing to lease, or properties available for lease, under the voucher program, or a list of other organizations that will help families find units and the list includes properties or organizations that operate outside areas of poverty or minority concentration.

PHA Response Yes ☒ No ☐

(e) The PHA's information packet includes an explanation of how portability works and includes a list of neighboring PHAs with the name, address and telephone number of a portability contact person at each.

PHA Response Yes ☒ No ☐

(f) The PHA has analyzed whether voucher holders have experienced difficulties in finding housing outside areas of poverty or minority concentration and, where such difficulties were found, the PHA has considered whether it is appropriate to seek approval of exception payment standard amounts in any part of its jurisdiction and has sought HUD approval when necessary.

PHA Response Yes ☒ No ☐

8. Payment Standards. The PHA has adopted payment standards schedule(s) in accordance with § 982.503.

PHA Response Yes ☒ No ☐

Enter FMRs and payment standards (PS)

0-BR FMR <u>2142</u>	1-BR FMR <u>2385</u>	2-BR FMR <u>2912</u>	3-BR FMR <u>3724</u>	4-BR FMR <u>4413</u>
PS <u>1940</u>	PS <u>2265</u>	PS <u>2753</u>	PS <u>3553</u>	PS <u>4203</u>

If the PHA has jurisdiction in more than one FMR area, and/or if the PHA has established separate payment standards for a PHA-designated part of an FMR area, attach similar FMR and payment standard comparisons for each FMR area and designated area.

9. Annual Reexaminations. The PHA completes a reexamination for each participating family at least every 12 months. (24 CFR 982.516)

PHA Response Yes ☒ No ☐

10. Correct Tenant Rent Calculations. The PHA correctly calculates tenant rent in the rental certificate program and the family rent to owner in the rental voucher program. (24 CFR 982, Subpart K)

PHA Response Yes ☒ No ☐

11. Initial HQS Inspections. Newly leased units pass HQS inspection within the time period required. This includes both initial and turnover inspections for the PBV program. (24 CFR 982.305; 983.103(b)-(d)).

PHA Response Yes ☒ No ☐

12. Periodic HQS Inspections. The PHA has met its periodic inspection requirement for its units under contract (982.405 and 983.103(e)).

PHA Response Yes ☒ No ☐

13. Lease-Up. The PHA executes housing assistance contracts for the PHA's number of baseline voucher units, or expends its annual allocated budget authority.

PHA Response Yes ☒ No ☐

- 14a. Family Self-Sufficiency Enrollment. The PHA has enrolled families in FSS as required. (24 CFR 984.105)

Applies only to PHAs required to administer an FSS program.

Check here if not applicable ☒

PHA Response

a. Number of mandatory FSS slots (Count units funded under the FY 1992 FSS incentive awards and in FY 1993 and later through 10/20/1998. Exclude units funded in connection with Section 8 and Section 23 project-based contract terminations; public housing demolition, disposition and replacement; HUD multifamily property sales; prepaid or terminated mortgages under section 236 or section 221(d)(3); and Section 8 renewal funding. Subtract the number of families that successfully completed their contracts on or after 10/21/1998.)

or, Number of mandatory FSS slots under HUD-approved exception

b. Number of FSS families currently enrolled

c. Portability: If you are the **initial** PHA, enter the number of families currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Percent of FSS slots filled (b + c divided by a)

14b. Percent of FSS Participants with Escrow Account Balances. The PHA has made progress in supporting family self-sufficiency as measured by the percent of currently enrolled FSS families with escrow account balances. (24 CFR 984.305)

Applies only to PHAs required to administer an FSS program .

Check here if not applicable ☒

PHA Response

Yes ☐

No ☐

Portability: If you are the **initial** PHA, enter the number of families with FSS escrow accounts currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Deconcentration Bonus Indicator (Optional and only for PHAs with jurisdiction in metropolitan FMR areas).

The PHA is submitting with this certification data which show that:

- (1) Half or more of all Section 8 families with children assisted by the PHA in its principal operating area resided in low poverty census tracts at the end of the last PHA FY;
- (2) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area during the last PHA FY is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the last PHA FY;

or

- (3) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area over the last two PHA FYs is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of the second to last PHA FY.

PHA Response

Yes ☐

No ☒

If yes, attach completed deconcentration bonus indicator addendum.

I hereby certify under penalty of perjury that, to the best of my knowledge, the above responses are true and correct for the PHA fiscal year indicated above. I also certify that, to my present knowledge, there is not evidence to indicate seriously deficient performance that casts doubt on the PHA's capacity to administer Section 8 rental assistance in accordance with Federal law and regulations.

Warning: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802).

Executive Director, signature

Chairperson, Board of Commissioners, signature

Date (mm/dd/yyyy)

08/17/2026

Date (mm/dd/yyyy)

08/17/2026

The PHA may include with its SEMAP certification any information bearing on the accuracy or completeness of the information used by the PHA in providing its certification.

SEMAP Certification - Addendum for Reporting Data for Deconcentration Bonus Indicator

Date (mm/dd/yyyy) _____

PHA Name _____

Principal Operating Area of PHA _____
(The geographic entity for which the Census tabulates data)

Special Instructions for State or regional PHAs Complete a copy of this addendum for each metropolitan area or portion of a metropolitan area (i.e., principal operating areas) where the PHA has assisted 20 or more Section 8 families with children in the last completed PHA FY. HUD will rate the areas separately and the separate ratings will then be weighted by the number of assisted families with children in each area and averaged to determine bonus points.

2020 Census Poverty Rate of Principal Operating Area _____

Criteria to Obtain Deconcentration Indicator Bonus Points

To qualify for bonus points, a PHA must complete the requested information and answer yes for only one of the 3 criteria below. However, State and regional PHAs must always complete line 1) b for each metropolitan principal operating area.

- 1) _____ a. Number of Section 8 families with children assisted by the PHA in its principal operating area at the end of the last PHA FY who live in low poverty census tracts. A low poverty census tract is a tract with a poverty rate at or below the overall poverty rate for the principal operating area of the PHA, or at or below 10% whichever is greater.
- _____ b. Total Section 8 families with children assisted by the PHA in its principal operating area at the end of the last PHA FY.
- _____ c. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the last PHA FY (line a divided by line b).
- Is line c 50% or more? Yes ☐ No ☐
- 2) _____ a. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the last completed PHA FY.
- _____ b. Number of Section 8 families with children who moved to low poverty census tracts during the last completed PHA FY.
- _____ c. Number of Section 8 families with children who moved during the last completed PHA FY.
- _____ d. Percent of all Section 8 mover families with children who moved to low poverty census tracts during the last PHA fiscal year (line b divided by line c).
- Is line d at least two percentage points higher than line a? Yes ☐ No ☐
- 3) _____ a. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the second to last completed PHA FY.
- _____ b. Number of Section 8 families with children who moved to low poverty census tracts during the last two completed PHA FYs.
- _____ c. Number of Section 8 families with children who moved during the last two completed PHA FYs.
- _____ d. Percent of all Section 8 mover families with children who moved to low poverty census tracts over the last two completed PHA FYs (line b divided by line c).
- Is line d at least two percentage points higher than line a? Yes ☐ No ☐

If one of the 3 criteria above is met, the PHA may be eligible for 5 bonus points.

See instructions above concerning bonus points for State and regional PHAs.



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Chair and Governing Board Members

FROM: Darin E. Gale, Executive Director
Jordan Davis, Director of Community and Economic Development
Vanessa Xie, General Manager of Pittsburg Power Company

SUBJECT: Adoption of Pittsburg Power Company Resolutions
Approving Island Energy's Fiscal Year 2026-2027 Proposed
Utility Rates and Tariff Amendments for Electricity and
Natural Gas Retail Services on Mare Island

EXECUTIVE SUMMARY

Pittsburg Power Company (PPC), a Joint Powers Authority, provides utility retail electric and natural gas services on Mare Island, Vallejo, doing business as Island Energy (IE). PPC presents its proposed Fiscal Year (FY) 2026-27 utility rates and tariff amendments to the Governing Board of the Pittsburg Power Company for approval. Once adopted, the updated rates will take effect September 1, 2026.

FISCAL IMPACT

To align with the City of Pittsburg's budget cycle, FY 2026-27 revenue projections assume Island Energy utility sales are billed under the current FY 2025-26 rates from through August 2026 and under the proposed FY 2026-27 rates from September 2026 through June 2027. Any variance between the FY 2026-27 adopted budget and the FY 2026-27 rate case projections will be addressed in the FY 2026-27 mid-year budget review.

RECOMMENDATION

PPC Board open the Public Hearing, take testimony, close the Public Hearing, consider the testimony, and adopt the attached PPC Resolutions authorizing the adoption of the FY 2026-2027 Rate Schedules and tariff amendments, and authorizing the Executive Director to take such further actions as may be necessary to continuously deliver

reliable services to customers on Mare Island.

BACKGROUND

Pittsburg Power Company (PPC) is a joint powers authority formed pursuant to Article XI, Section 9 of the California Constitution. PPC has the authority to acquire utility assets, establish rates, and provide utility services on Mare Island in the City of Vallejo. PPC provides these services through Island Energy (IE).

Each year, PPC staff prepares a rate case to establish the rates necessary to provide retail electric and natural gas service on Mare Island. The rate case uses a cost-of-service model designed to generate sufficient revenue to recover the reasonable costs of operating and maintaining the utility systems.

For FY 2026-27, those costs primarily include purchased electricity and natural gas, staffing, administrative and overhead expenses, regulatory compliance, and the maintenance and improvement of the electric and natural gas systems.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

Staff held a public informational meeting for Mare Island residents and businesses on August 4, 2026, to explain the proposed rate adjustments and tariff revisions, answer questions, and receive feedback from ratepayers.

STAFF ANALYSIS

Higher purchased-energy costs, inflation, and the increasing cost of maintaining utility infrastructure have placed upward pressure on IE's operating expenses. The proposed rate adjustments are therefore necessary to maintain the utility's financial stability, support continued system maintenance and investment, and preserve reliable service on Mare Island.

PPC's Electric and Natural Gas Tariffs establish customer-service requirements, rates, fees, and operating rules. In addition to the proposed rate adjustments, staff recommends tariff revisions that will standardize administrative processes, improve cost recovery, align IE practices with applicable City guidelines and utility-industry practices, and provide customers with clearer requirements and expectations.

Staff evaluated energy-price forecasts, historical and projected electric and natural gas consumption on Mare Island, anticipated operating and capital costs, and a range of cost and revenue scenarios. Based on this analysis, staff recommends the following rate adjustments. Unless otherwise specified, the applicable percentage increase would be applied to all charges within the affected rate schedule.

- **Residential Electric Service (RES-1):** Staff proposes increasing the RES-1 rate by 3%, to \$0.29072 per kilowatt-hour (kWh). As of July 31, 2026, the proposed rate is approximately 25.9% lower than PG&E's Residential E-1 rate.
- **General Commercial Electric Service (CES-1):** Staff proposes increasing the CES-1 rate by 4.5%, to \$0.33909/kWh. As of July 31, 2026, the proposed rate is approximately 16.8% lower than PG&E's General Commercial A-1 rate.
- **Large Commercial Electric Service (CES-2):** Staff proposes increasing the CES-2 primary and secondary rates by 4%. The proposed rates are \$0.29990/kWh for primary service and \$0.31569/kWh for secondary service. As of July 31, 2026, the proposed rates are approximately 11% lower than PG&E's Large Commercial A-10 rates.
- **Streetlight Service (LS):** Staff proposes increasing the LS rate by 10%, to \$0.25772/kWh. As of July 31, 2026, the proposed rate is approximately 19.5% lower than PG&E's Streetlight Service LS-1 and LS-2 rates.
- **Very Large Commercial and Industrial Service (CES-3 and CES-4):** IE currently has no customers taking service under the CES-3 or CES-4 rate schedules. Staff recommends no changes to these schedules for FY 2026-27.

New pipeline safety requirements and required system improvements will necessitate additional investment in Mare Island's natural gas distribution infrastructure. Because the system serves a comparatively small natural gas load, the cost of these improvements must be recovered over a limited customer base. Staff therefore proposes increasing IE's natural gas delivery rate by 4.5%, to \$1.2122 per therm. This adjustment will help support regulatory compliance, needed infrastructure investment, and the continued safe and reliable operation of the natural gas system.

Even with the proposed adjustments, IE's electric rates are projected to remain below comparable PG&E rates across all affected customer classes. The recommended increases are intended to recover IE's projected cost of service while preserving a meaningful rate advantage for Mare Island customers.

In addition to the FY 2026-27 rate schedules, staff recommends the following revisions to IE's Electric and Natural Gas Tariffs:

- **Customer Project Deposits:** Establish customer project deposits as a percentage of the total estimated project cost. This methodology will better reflect the staff time, materials, and other resources required for new construction and service-upgrade projects and will align IE's practices more closely with utility-industry standards.
- **Overdue Customer Project Invoices:** Establish a late-fee structure for overdue customer project invoices. The fee may be calculated as a percentage of the unpaid invoice balance and is intended to encourage timely payment and ensure that IE recovers the cost of work performed on behalf of individual customers.
- **Service and One-Time Fees:** Update shutoff, after-hours, and other one-time service fees so that they more accurately reflect the cost of providing the

associated services. The revisions would also eliminate fees that are obsolete, unnecessary, or no longer applicable.

- **Verification for New Service:** Require applicants for new utility service to provide documentation verifying ownership or lawful tenancy. This requirement will help ensure that accounts are properly established and reduce billing and account-management disputes.
- **Continuity of Service:** Add provisions governing the transfer of utility service between customer accounts at the same service address. These provisions will help maintain continuity of service while clearly assigning responsibility for charges during account transitions.
- **Medical and Low-Income Discounts:** Require customers receiving medical or low-income billing discounts to periodically verify their continued eligibility or reapply for the applicable program. This will help ensure that discounts remain available to eligible customers and are administered consistently.
- **Net Surplus Energy Compensation:** Revise the Net Surplus Energy Compensation Rate from \$0.0707/kWh to \$0.0700/kWh to reflect current market conditions.
- **Commercial Electric-Vehicle Charging:** Establish a Commercial Electric Vehicle Charging Station Rate Schedule. The new schedule will provide clear and consistent billing parameters as commercial EV charging facilities continue to develop on Mare Island.

The proposed FY 2026-27 rates are designed to recover the projected cost of providing electric and natural gas service, support required maintenance and infrastructure investment, and preserve the reliability and financial stability of IE's utility operations. Although the proposed adjustments vary by customer class, IE's electric rates would remain below comparable PG&E rates based on the rate comparison completed as of July 31, 2026.

The proposed tariff revisions will further strengthen IE's operations by improving cost recovery, standardizing customer-service practices, clarifying customer responsibilities, and preparing the utility for changing service needs, including the continued development of commercial EV charging facilities.

The proposed FY 2026-27 rate schedules and amendments are incorporated into the attached Island Energy Tariff Schedules.

ATTACHMENTS: Resolution for Rate Changes
Resolution for Tariff Amendments
Island Energy Amended Tariffs Clean Version
Island Energy Amended Tariffs Redlined Version

BEFORE THE GOVERNING BOARD OF THE PITTSBURG POWER COMPANY
OF THE CITY OF PITTSBURG

In the Matter of:

Approving Fiscal Year 2026-2027)	
Rate Schedules for Electricity and)	
<u>Natural Gas Retail Services on Mare Island)</u>	RESOLUTION NO. 26-

WHEREAS, Pittsburg Power Company (PPC), a joint powers agency, provides utility retail electric and natural gas services on Mare Island, Vallejo in the name of Island Energy; and

WHEREAS, pursuant to PPC's responsibilities to set rates for providing retail electric and natural gas services on Mare Island, staff prepares and presents the Fiscal Year ("FY") 2026-2027 Rate Schedules to PPC's Governing Board for approval; and

WHEREAS, the Residential Electricity Rate Schedule RES-1 is proposed to be \$0.29072/kWh, a 3.0% increase from its FY 2025-2026 rate schedule; and

WHEREAS, the General Commercial Electric Rate Schedule CES-1 at primary voltage is proposed to be \$0.31930/kWh, a 4.5% increase from its FY 2025-2026 rate schedule, and

WHEREAS, the General Commercial Electric Rate Schedule CES-1 at secondary voltage is proposed to be \$0.33909/kWh, a 4.5% increase from its FY 2025-2026 rate schedule, and

WHEREAS, the Large Commercial Electric Rate Schedule CES-2 at primary voltage is proposed to be \$0.29990/kWh, a 4.0% increase from its FY 2025-2026 rate schedule; and

WHEREAS, the Large Commercial Electric Rate Schedule CES-2 at secondary voltage is proposed to be \$0.31569/kWh, a 4.0% increase from its FY 2025-2026 rate schedule; and

WHEREAS, the FY 2026-2027 Street Light Electric Rate Schedule LS is proposed to be \$0.25278/kWh, a 10.0% increase from its FY 2025-2026 rate schedule; and

WHEREAS, the natural gas delivery rate Schedule GS-1 and GS-2 are proposed to be \$1.2122 per Therm, a 4.5 % increase from its FY 2025-2026 rate schedule; and

WHEREAS, the same percentage increase applies to meter and facility charges on the same rate schedule; and

WHEREAS, once the proposed rate schedules are adopted, the rates will remain effective from September 1, 2026, until the next utility rate change.

NOW, THEREFORE, BE IT RESOLVED that the Governing Board of the Pittsburgh Power Company hereby approves the proposed Rate Schedules, as set forth in the attachments hereto; and

BE IT FURTHER RESOLVED that the Governing Board of the Pittsburgh Power Company hereby authorizes the Executive Director to take such action necessary to implement the Island Energy FY 2026-2027 Rate Schedules.

PASSED AND ADOPTED by Governing Board of the Pittsburgh Power Company of the City of Pittsburgh at a regular meeting on the 17th day of August 2026, by the following votes:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dionne Adams, Chair

ATTEST:

Darin E. Gale, Executive Secretary



Gas Tariff

Applicable to

Island Energy

I. GENERAL INFORMATION

1. Territory served
2. Measurement
3. Confidentiality of Customer Information

II. GAS RULES

1. DEFINITIONS

2. DESCRIPTION OF SERVICE

- A. General
- B. Kind and Heating Value
- C. Pressure
- D. Conversion of Metered Volumes to Therms
- E. Liability
- F. Indemnification

3. APPLICATION FOR SERVICE

- A. Application
- B. Information Required on Application
- C. Changes in Load or Operation
- D. Joint and Several Liability for Service/Beneficial Use
- E. False or Inaccurate Information

4. CONTRACTS

5. SPECIAL INFORMATION AVAILABLE FOR CUSTOMERS

- A. Tariffs Available
- B. Standards Available

6. ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

- A. Establishment of Credit
- B. Re-establishment of Credit

7. DEPOSITS

- A. Amount of Deposit
- B. Return of Deposit
- C. Interest on Deposits

8. NOTICES

- A. Notices to Customers
- B. Third Party Notification
- C. Notices from Customers

9. RENDERING AND PAYMENT OF BILLS

- A. Rendering of Bills
- B. Basis of Usage Used in Bills
- C. Customer Requested Meter Re-reads

- D. Payment of Bills
- 10. **DISPUTES**
 - A. Disputed Bill
 - B. Termination when Bill Disputed
- 11. **DISCONTINUANCE OF SERVICE**
 - A. Customer's Request for Service Discontinuance Non-Payment of Bills
 - B. Non-Payment of Bills Unsafe Equipment
 - C. Unsafe Equipment Unauthorized Use
 - D. Unauthorized Use
 - E. Fraud
 - F. Non-Compliance with the Utility's Tariffs
 - G. Usage of Service Detrimental to Other Customers
- 12. **RATES**
- 13. **TEMPORARY SERVICE**
- 14. **SHORTAGE OF GAS SUPPLY AND INTERRUPTION OF DELIVERY**
 - A. Shortage and Interruption
 - B. Temporary Suspension for Repairs
 - C. Apportionment of Supply during Time of Shortage
 - D. Curtailment Priorities
 - E. Liability of Utility
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Rate Schedule GS-1, Metered Industrial/Commercial Gas Service

Rate Schedule GS-2, Metered Residential Gas Service

Rate Schedule SE, Service Establishment Charge

Rate Schedule MISC, Miscellaneous

I. GENERAL INFORMATION

1. Territory Served. Island Energy ("utility") supplies all gas service in the entire area referred to as Mare Island, in the City of Vallejo, CA.

2. Measurement. Measurements will be made by use of a standard gas meter furnished by the utility unless otherwise specified on the Rate Schedule.

3. Confidentiality of Customer Information. Island Energy will maintain the confidentiality of all Customer information, including identification information and all data associated with gas, electric and other service consumption. Customers may request such information for their own use in writing from Island Energy, and such data will be provided in a timely manner.

II. GAS RULES

1. DEFINITIONS

Applicant: A person or entity requesting the utility to supply gas service, relocate gas facilities, or upgrade gas facilities.

Billing Period: A period of time, during which utility services are measured and for which such services are invoiced to Customers. The billing period will generally be between 27 and 33 calendar days.

Customer: The person or entity in whose name service is rendered as evidenced by the signature on the application, contract, or agreement for that service, or, in the absence of a signed instrument, by the receipt of payment of bills regularly issued in that person's name.

Customer Service Point: The point of connection between the facilities of the serving utility and the piping of the Customer's premises.

Developer: A company (or individual) which develops land or changes and enhances the use of a parcel of land or an existing building for some new purpose within the service area of utility.

Electronic Transfer: Paper-less exchange of data and/or funds, usually involving computer and telecommunications technology.

Eligible Expenses: Eligible Expenses are defined as gas equipment expenses incurred in the installation of new commercial natural gas distribution systems, including but not limited to pipes, valves, and regulators, but not the relocation or rearrangement of the existing gas system, pursuant to a Working Contract. Eligible Expenses do not include expenses incurred under the Working Contract for excavation, conduits, substructures and protective structures. Applicant shall remain responsible for the cost of all relocation, rearrangement and removal work, unless the work qualifies for reimbursement under Section 21.

Inevitable Accident: An occurrence causing an interruption in service which is outside of the control of the utility and which the utility could not have prevented by the utility's reasonable diligence in its operation of the subject facilities. Occurrences caused by the age of the utility systems shall not be deemed preventable.

High-pressure: Pressure greater than Low-pressure.

Low-pressure: Shall be an average pressure equivalent to fourteen inches of water column, or less.

Mailed: Any notice or other communication will be considered "mailed" when it is sent electronically (email, text or other electronic format) or enclosed in a sealed envelope, properly addressed, and deposited in any United States Post Office box, postage prepaid. The postmark date for notices or other communication sent electronically will be considered the date the communication was sent.

Mixed Use Residential/Commercial Development: Any development which incorporates both residential and commercial uses i.e. first floor retail or educational and second or third floor residential.

New Permanent Load: A New Permanent Load is a new load resulting from and/or benefited by the improvement or expansion of the existing natural gas system pursuant to a Working Contract.

Paid or Payment: Funds received by utility through postal service, utility payment office, utility authorized agent, credit card payments to the utility or deposited in utility bank account by Electronic Transfer.

Premises: All of the real property and apparatus employed in a single enterprise on an integral parcel of undivided land, excepting in the case of industrial, agricultural, oil field, resort enterprises and public or quasi-public institutions, by a dedicated or undedicated street, highway or other public thoroughfare or a railway. Automobile parking lots constituting a part of and adjacent to a single enterprise may be separated by an alley from the remainder of the Premises served. In the case of premises on which a master meter is installed, premises shall refer to all of those residences, dwelling units, mobile home spaces, stores, offices or other places of business for which the consumption of gas is measured and assessed by the master meter.

Protective Structures: Are fences, retaining walls, grading, sound barriers, posts, barricades and other structures as required by the utility to protect its facilities or equipment.

Ready Access to Premises: Is where the Customer, or Applicant, makes access to the utility's facilities available in a manner that is safe and unobstructed to utility personnel and vehicles. This means that utility personnel will not come in contact with unrestrained animals while accessing utility equipment. It also means that the utility will have unobstructed ability to reach all utility equipment.

Temporary Service: Service for enterprises or activities which are temporary in character or where it is known in advance that service will be of a limited duration. Service which, in the opinion of the utility, is for operations of a speculative character or the permanency of which has not been established, also is considered Temporary Service.

Vessel: A means of transportation on water used for recreational, navigational or commercial purposes.

Working Contract: The Working Contract shall be that contractual agreement entered into by and between the utility and an Applicant for performing gas transmission or distribution system work under these Tariffs.

2. DESCRIPTION OF SERVICE

A. General

The character of service available at any particular location should be ascertained by inquiry at the utility's office. The utility's Rate Schedules are applicable for service where the Customer purchases their entire gas requirements from the utility, except when such Rate Schedules specifically provide otherwise.

B. Kind and Heating Value

The gas supplied by the utility is natural gas. The heating value of the gas may change from time to time as the supply from various natural gas fields, as gathered and transmitted to the utility may vary.

C. Pressure

Gas supplied at the outlet of a meter will normally be at low-pressure. Where gas is metered at Low-pressure, a cubic foot of gas shall be construed to be that volume of gas which, at the temperature and pressure existing in the meter, occupies one cubic foot. Gas will be supplied at high-pressure, upon approval of the utility, when and where such service is available from existing high-pressure utility facilities. High-pressure service shall be subject to change to higher or lower pressure at any time at the option of the utility. Where gas is served at pressures above the standard Low-pressure through positive displacement meters, the metered volume shall be corrected to a standard pressure of 14.73 pounds per square inch absolute. The utility shall, as appropriate, correct for deviation from Boyle's Law.

D. Conversion of Metered Volumes to Therms

For rate schedules that provide for the determination of therms the number of therms to be billed shall be the product of the metered Ccf or, if applicable, the corrected metered Ccf and a therm multiplier. This therm multiplier for meters registering in units of Ccf shall be determined by dividing the average heating value by 1000. The average heating value will be determined from the volume weighted average heating value for the period of deliveries.

E. Liability

Customer shall be and remain liable for any and all damages caused to the utility facilities or third parties as a result of Customer's failure to comply with the requirements of these tariffs or the proper use of Customer's equipment.

Nothing in any of these tariffs is intended to create any new or additional liability to the utility beyond that required by statute. It is the intent of the tariffs to limit the liability of the utility to the greatest extent allowed by law, and to maintain for the utility all applicable immunities and defenses allowed by law.

Utility shall have no liability for any damage, loss or injury caused in whole or part by Applicant's or Customer's active or passive negligent act or omission or reckless, wanton or intentional act.

All of Applicant's or Customer's duties under each of these tariffs involving safety, maintenance, repair or installation of facilities, including any duty to give notice to the utility of conditions of the facilities, shall also constitute a duty from the Applicant or Customer to all third parties with respect to those facilities, regardless of who owns or controls the facilities. Applicant's or Customer's failure to comply with these tariffs shall constitute a breach of duty to any injured or damaged third party, and Applicant or Customer shall be liable to any injured or damaged third party for any such injury or damages. If any portion of any of these tariffs is determined by a court

of competent jurisdiction to be illegal, it shall be severed from these tariffs and all other portions of these tariffs remain in full force and effect. Each and every section of these tariffs would have been adopted separately, even if any other section of the tariffs had not been adopted.

F. Indemnification

Customer or Applicant shall defend, indemnify and hold harmless utility against any claim, demand, loss or liability arising out of or related in any way to utility's equipment or facilities located on Customer's or Applicant's premises, to the fullest extent allowed by law. This duty to defend, indemnify and hold harmless shall arise even in the case of the active or passive or sole negligence of utility, or utility's reckless, wanton, malicious, fraudulent or intentional acts or omissions.

3. APPLICATION FOR SERVICE

A. Application

An application for service is required. Each Applicant for service may be required to sign an application on a form provided by the utility. The application forms may vary depending upon the type of service requested by the Applicant. Applicants desiring special rates and/or services may be required to complete additional forms and/or contracts in accordance with the utility's applicable tariffs. The application is a request for service, and it does not bind the utility to serve except under its tariffs and under reasonable conditions. The application does not bind the Applicant to take service for a longer period than the minimum requirement of the utility's tariffs. These tariffs constitute the terms and conditions of the agreement between the utility and the Customer for service rendered, unless otherwise agreed to in writing.

Pursuant to the tariffs, the utility may at its sole discretion assess the Applicant's ability to pay its gas charges. Such assessment may include a credit check initiated by the utility at the Applicant's expense, contact of commercial references, or other measures, as discussed and agreed between the utilities and Applicant.

B. Information Required on Application

In addition to the information the utility may require from Applicant's in order to establish credit in accordance with Section 6.A. All Applicants shall provide such other information as the utility may reasonably require for service. This information includes, but is not limited to, the legal name of the Applicant(s), the name of the Applicant's spouse or other adults residing at the Premises, the service address, billing address, date service is wanted, whether gas service has previously been supplied to the Premises, whether Applicant is the owner, agent or tenant of the Premises, and the rate schedule desired (if optional schedules are available). Supporting documentation to establish proof of ownership or tenancy may be requested.

In addition, the Applicant may be required to provide information necessary to the design, installation, maintenance and operation of the utility's facilities, including the proposed end use(s), the connected load, the number of residential dwelling units/spaces, the size or character of the appliance or apparatus to be installed, building plans, and other information required by the utility's applicable tariffs. The utility may also request credit information and authorization to run a credit check. Commercial and industrial accounts will be required to provide their North America Industrial Classification System (NAICS) Code(s).

C. Changes in Load or Operation

It is the Customer's responsibility to notify the utility in writing within 15 days if the Customer makes any change in the connected load, in the number of residential dwelling units/spaces, or in the size or character of the appliances or apparatus. Such change(s) may require a new application for service and/or a change in the utility's service facilities and may result in the Customer being transferred to a different tariff schedule and payment obligations for service upgrades.

D. Joint and Several Liability for Service/Beneficial Use

Where two or more Applicants join in one application or contract for utility service, they shall be jointly and severally liable under the terms of the application/contract and shall be billed by means of a single periodic bill mailed to the Customer designated to receive the bill. Whether or not the utility obtained a joint application or contract for residential service, where there is evidence that an adult(s) other than the Applicant resided at the Premises and benefited from utility service, the other adult(s) and the Applicant shall be jointly and severally liable for service rendered while such other adults resided at the Premises.

E. False or Inaccurate Information

The utility may refuse to provide service or may discontinue or disconnect service and/or may re-bill the account when:

1. The information provided to the utility on the application is false, incomplete, or inaccurate; or,
2. The Applicant has applied for service under a fictitious name or under the name of another to avoid payment of any utility bill or that the Applicant has requested service in his/her legal name to assist another in avoiding payment of any utility bill; or,
3. The Applicant and/or other adults residing with the Applicant have received the benefit of service without paying for it and are attempting to change the name on the account to avoid payment of any utility bill. In the event of a re-bill, the utility shall provide the Customer with the reason for such a re-bill.

4. CONTRACTS

Whether or not these tariffs require a written contract, the utility may require, in its sole discretion, a Customer to enter into a written contract as a condition to providing service. Contracts will be required when service is delivered under different rates, terms and conditions than set forth within the tariffs, in which event the Customer and utility shall acknowledge that the contract is in lieu of normal service.

5. SPECIAL INFORMATION AVAILABLE FOR CUSTOMERS

A. Tariffs Available

A copy of the Gas and Electric Tariffs are available at utility's office at 440 Walnut Avenue on Mare Island during normal work hours and can be viewed online at www.islandenergy.com.

B. Standards Available

The utility follows PG&E approved standards for all materials, design, construction, and services as documented in the PG&E's Greenbook

6. ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

Each Applicant for metered service is required to establish their credit to the satisfaction of the utility before service will be rendered.

A. Establishment of Credit

The Applicant's Credit will be deemed established:

1. If Applicant is the owner of record of and occupier of the Premises upon which the utility is requested to furnish service.
2. If the Applicant makes a cash deposit with the utility to secure the payment of any bills for service to be furnished by the utility under the application as provided in Section 7.
3. If the Applicant has previously been a Customer of the utility and has paid all bills for service within the period as set forth in Section 9 for a period of 12 consecutive months immediately prior to the date when the Applicant for service previously ceased to take service from the utility, provided such service occurred within two years from date of the new application for service.

B. Re-establishment of Credit

1. An Applicant who has been a gas Customer of the utility and whose service has been discontinued for failure to pay their gas bills within the period as set forth in Section 11 within the last 12 months of service may be required to re-establish their credit by making the regular cash deposit.
2. A Customer who fails to pay bills as provided in Section 9 may be required to pay said bills and re-establish credit by depositing, in cash, the amount provided for in Section 7. The requirement for the re-establishment of credit will apply regardless of whether or not service has been discontinued for such non-payment

3. Where the financial condition of a Customer has changed so that the Customer represents a potential credit risk; or where the utility has received information that a Customer has left another utility's service territory with a bill that was unpaid 90 days or more after the billing date, the Customer may be required, as a condition of continued service, to re-establish credit pursuant to this section.

7. DEPOSITS

A. Amount of Deposit

1. Establishment of Credit.

The amount of deposit required to establish credit may be established by the utility pursuant to an assessment of the Applicant's credit worthiness. For commercial accounts covering gas and/or electric service, a deposit is required, the amount of which shall normally be twice the Customer's maximum monthly bill, but may be no more than three times the Customer's monthly average bill, as estimated by the utility for a business of similar size and character. For residential accounts covering gas and/or electric service, a flat rate of \$200 deposit will apply. This amount is deemed to be no more than twice the average monthly bill of an Island Energy residential customer. The utility will have sole discretion in determining the deposit amount, provided that the utility will not exercise undue economic hardship on Applicants.

2. Re-establishment of Credit.

The amount of deposit required to re-establish credit shall normally be twice the maximum monthly bill but may be as high as three times the Customer's maximum monthly bill, as determined by the utility and in conformance to the rules stated in Section 7. In addition, a Customer will be required to pay all amounts in arrears, all late payment fees, and a reconnection fee of \$35.00 for residential and \$100.00 for commercial if service has been disconnected. These reconnection fees shall be \$75.00 for residential and \$250.00 for commercial if performed after hours. If service has been disconnected by any action other than the removal of a meter, the reconnection fee shall be \$250.00.

B. Return of Deposit

The amount on deposit will be applied to the Customer's bill during the first billing period after one (1) full year has elapsed, provided that the Customer has met the credit requirements of the utility. If the service is discontinued by request of the Customer while a deposit is held then the balance of any deposit remaining after the closing bill for service has been settled will be promptly returned to the Customer. Any overdue bill may be deducted from the deposit, and the service may be discontinued until the deposit is restored to the original amount.

C. Interest on Deposits

If the utility requires a deposit and the deposit is placed into an investment account or into an interest-bearing account, the utility will pay interest on such deposits in an amount equal to the average rate of return over the last four full calendar quarters last preceding the return of the deposit less one (1%) percent if the deposit was placed into an investment account. If the deposit was placed into a simple interest-bearing account, the interest to be paid will be the interest earned less than one (1%) percent. In no event will utility be required to invest the deposit or place it into an interest-bearing account. No interest will be paid if service is temporarily or permanently discontinued for nonpayment of bills.

8. NOTICES

A. Notices to Customers

1. Generally:

When notices from the utility to a Customer are required, they will be given in writing, either mailed, as defined in Section II, 1, to the Customer's mailing address, or delivered to Customer's service address, except that in emergencies the utility may give verbal notices in person or by telephone.

2. Termination of Service Notice:

a. Monthly bills for service are due and payable upon presentation and will be considered late if full payment is not received by the utility by the first day of the following month. If full payment is not received prior to the date of the next bill, a Termination of Service Notice for nonpayment of a delinquent account will be included on the next monthly bill setting forth the date for termination as the first day of the following month (see example in c. below). An additional notice will be sent to the service address when the occupants are renters and not responsible for the utility bill. Additional notice will include information on renter's legal rights should Utility not receive payment.

b. When no payment has been received by the utility prior to two days before the termination date set forth in subsection a. above a written final service termination notice shall be posted in a conspicuous place at the premises at least forty-eight (48) hours prior to termination of service.

c. Example of Timing for Termination of Service Notices. Utility bills for usage during the month of March will be mailed on April 9. A bill will be considered late if full payment is not received by May 1. If full payment is not prior to May 9, the date of the next bill, a Termination of Service notice will be included on that bill setting forth the date of termination as June 1. If full payment for the April 9 bill has not been received by May 29 (2 days prior to termination date), a final service termination notice shall be posted at the premises. If full payment for the April 9 bill is not received by noon on June 1, service will be terminated.

d. Prior to terminating service to Multiple Occupancy Residential Buildings and Mobile Home Parks, all procedures as required by law will be followed.

e. The Utility reserves the right to report any delinquency of payment to any appropriate credit reporting agencies and potential new utility providers.

B. Third Party Notification

For residential Customers who are 65 years of age or older, or who are "dependant adults" as defined in section 15610.23 of the Welfare and Institutions Code (generally one who has physical or mental limitations that restrict his or her ability to carry out normal activities or to protect his or her rights), a third party notification service, whereby the utility will attempt to notify a person designated by the Customer to receive notification when the Customers account is past due and subject to termination. The consent of the third party shall be required and the third shall not incur any liability for the account by virtue of the fact he or she consents to receive such third-party notification.

C. Notices from Customers

Notices from a Customer to the utility may be given by written communication mailed to the utility's office, or physically delivered by the Customer, or the Customer's agent, at the utility's office, except when written notice is specifically required within these tariff's or in any written agreement.

Any Customer may initiate a complaint or request an investigation concerning service or charges by delivering a written complaint or request setting forth all of the facts necessary for utility to understand the nature of the complaint or request, including copies of any statements in issue.

9. RENDERING AND PAYMENT OF BILLS

A. Rendering of Bills

1. Bills for service will be rendered either once a month, or as otherwise required for opening and closing bills, or as provided under applicable tariff. When a monthly billing period is less than 27 days or more than 33 days the bill will be prorated.
2. Meters for Customers who receive metered service will be read as nearly as practical at regular intervals.
3. For billing purposes, each meter upon the Customer's premises will be considered separately and readings of two or more meters will not be combined except as follows:
 - a. Where combinations of meter readings are specifically provided for in rate schedules;
 - b. Where the maintenance of adequate service and/or where the utility's operating convenience require the installation of two or more meters upon the Customer's premises; or,
 - c. Customers are paying all of the cost of the wires between the meters.

B. Basis of Usage Used in Billings

All Customers who receive metered service will be billed on a monthly basis. When meters are read at regular intervals, each bill will be based on meter registrations, except as provided for herein. Estimated consumption may be used as the basis for billings, except for the month ending with the actual meter read. The actual meter registrations shall be used, less the estimated consumption used to calculate the previously estimated bills.

If the utility is unable to read the Customer's meter on the scheduled reading date, the utility may bill the Customer for estimated consumption during the billing period and make any necessary corrections when a reading is obtained. Estimated consumption for this purpose will be calculated considering the Customer's prior usage, the utility's experience with other Customers of the same class in that area, and the general characteristics of the Customer's operations. Adjustments for any underestimate or overestimate of a Customer's consumption will be reflected on the first regularly scheduled bill rendered and based on actual reading following the period of estimation.

C. Customer Requested Meter Re-reads

When a Customer requests that the utility re-read the same meter, after a meter reading has taken place on the normal reading date, the utility will charge the Customer \$15.00. The \$15.00

charge will be returned to the Customer if upon re-reading the meter is found that the meter was read inaccurately such that the Customer was over-billed.

D. Form of Bill Transfer

At the mutual option of the Customers and utility, bills may be transferred to Customers electronically. Customers requesting this service may be required to complete additional forms and agreements. Either party may discontinue electronic transfers with a 30 day written notice.

E. Payment of Bills

Bills for service are due and payable upon presentation. Payment shall be delivered to the utility office by post or phone, by electronic funds transfer or delivered to authorized personnel of the utility. Bills rendered where the Customer's service is being removed, where the Customer is vacating the premises, or where the Customer is discontinuing the service shall be paid on presentation.

1. Late Payment Fee for Residential and Commercial Accounts

For residential and commercial accounts, unpaid balances on bills not received within twenty (20) days after being mailed to the Customer shall be subject to late payment fee of \$15 or 3 percent (3%) of the unpaid balance of the original bill, whichever is more.

2. Late Payment Fee for Municipal Accounts

For municipal accounts, unpaid balances on bills not postmarked or received within twenty-five (25) days after being mailed to the customer may be subject to a one and one-half percent (1 ½%) late payment fee or penalty.

3. Late Payment Fee for State Agencies

Where an account serves a state agency and payment is not received within 50 calendar days after the date of mailing of a bill, the late payment charge applicable to that account will be at a rate of one (1%) percent above the rate accrued on June 30th of the prior year by the Pooled Money Investment Account (PMIA), but not to exceed 15 percent, all as set forth in Government Code Section 926.17(b)(1). Such rate may be applied to and accrue on a state agency account only after 50 days from the date the bill was mailed.

The State of California shall be responsible for notification to the utility as to which accounts serve state agencies. The provision of the above paragraph shall apply only after such notification.

4. Late Payment for Large Government Contractors

Where a customer derives majority of his/hers revenue from contracts with agencies of the United States of America government and its average monthly utility bills, summed across all of its utility accounts with Island Energy, in excess of \$25,000 may apply to the utility for designation as a large government contractor. Island Energy reserves the right to perform a full credit check prior to designating a customer as a large government contractor. For accounts held by large government contractors, unpaid balances on bills not received with fifty (50) days after being mailed to the Customer shall be subject to a late payment fee of three percent (3%) of the unpaid balance of the original bill and shall be subject to the Discontinuation of Service provisions in the utility's tariff.

5. Returned Checks

Bills paid by a check that is dishonored, shall be subject to \$25 returned check charge. This charge will be added to the Customer's bill for each occurrence.

6. Additional Service Charge

The utility may require the payment of an additional collection charge if the utility sends an authorized representative to the Customer's premises to: (1) effect collection of, or (2) discontinue service for non-payment on a past due account. The collection charge shall be twenty-five (\$25) per visit to the premises.

7. Waiving of Minimum Bills

In case the Customer is unable to use the utility's service by reason of strikes, accidents, fires, bankruptcy or any cause beyond the Customer's control, the payment of the minimum charge may be waived by the utility during the time the Customer is unable to use such service.

10. DISPUTES

A. Disputed Bill

When a Customer disputes or questions their bill, they should first request an explanation from the utility. If the Customer thereafter believes they have been billed incorrectly they will be required to, bring or send the bill and a statement supporting their belief that their bill is not correct to:

Island Energy
440 Walnut Avenue
Mare Island, CA 94592-0001

To avoid having service turned off during the dispute, the Customer must enclose payment for the full amount of the bill made out to Island Energy. If the Customer is unable to pay the amount in dispute, they must inform the utility verbally or in writing of their inability to pay. Utility service will remain on until the utility completes its review of the Customer's bill. The utility will review the basis of the amount billed and communicate the results of its review to the Customer within 10 working days of receipt of the Customer's statement of dispute.

If it is found that the Customer's bill was not overstated by more than 2%, the Customer's payment will be disbursed accordingly, and the Customer will be assessed for a Twenty Five Dollar (\$25) disputed bill charge during the next billing period.

If it was found that the Customer's bill was overstated by more than 2%, the utility will bear the cost of the investigation, and the Customer's overpayment will be promptly refunded or credited to the next month's bill, per the Customer's choice.

B. Termination when Bill Disputed

A Customer who does not pay the full amount due, even when subject to dispute, shall be subject to the same termination for non-payment terms and conditions as any other Customer not disputing the bill.

11. DISCONTINUANCE OF SERVICE

A. Customer's Request for Service Discontinuance

When a Customer desires to terminate their service, they shall give the utility notice in writing two business days before the desired termination date. A Customer may be held responsible for all service furnished at the premises until two days after receipt of such notice by the utility, or until the date of termination specified in the notice, whichever date is later.

When a Customer desires to terminate their responsibility for service during a calendar month, the gas rate applied to that month's consumption is not available on the closing date due to the changing gas commodity prices. Any mid-month closing accounts will be closed at previous month's gas rate.

Utility will maintain uninterrupted service whenever an outgoing customer ends service before a new customer's requested start date. Service shall remain energized unless safety or legal requirements require disconnection. When a tenant requests to end service and no new tenant or property owner has requested service for the same date, the account automatically enters Revert-to-Owner (RTO) status. The property owner will be responsible for all usage and charges during the RTO period until a new customer establishes service. In RTO transitions, responsibility defaults to the property owner.

When a property changes ownership and the Seller's stop-service date occurs before the Buyer's requested start date, the Utility may request the Seller and/or Buyer to provide documentation that confirms the property transfer date. The Utility may select either date provided to initiate the service transfer if proper documentation is not provided by the Buyer or Seller. For tenancy changes, the Utility may request documentation, such as a signed lease agreement, from the property owner and/or tenant to process new service requests. New tenants should submit a New Service Request with a start date that matches their lease agreement. The Utility is not responsible for bill disputes between tenants, owners, sellers, or buyers.

In the event that a Customer terminates service under any rate schedule and re-initiates service under the same, or any other, rate schedule at the same location within 12 months, there will be a reconnection charge equal to the minimum charge which would have been billed had the Customer not terminated service.

B. Non-Payment of Bills

A discontinuance of service notice for nonpayment of a delinquent account will be mailed at least fifteen (15) calendar days prior to termination of service. At least twenty-four (24) hours prior to termination of service, notification by telephone shall be given or at least forty-eight (48) hours prior to termination of services a written notice of termination shall be posted in a conspicuous place at the premises.

A Customer's service may be discontinued for non-payment of a bill for service provided at any previous location served by the utility if that bill is not paid in accordance with these tariffs. If a Customer is receiving more than one service, any or all services may be discontinued when any service, regardless of location, is discontinued for non-payment.

The utility will not terminate service to a Customer on any Saturday, Sunday, legal holiday, or at any time during which the business offices of the utility are not accessible to the public. Service wrongfully terminated shall be restored without charge for the restoration of service, and a notification thereof shall be mailed to the Customer at the billing address.

Customers with past-due balances may, at the Utility's discretion, be offered a payment plan arrangement. To participate, the customer must sign the payment plan agreement. Each month, the customer's total amount due will include all current charges plus an installment amount representing an equal division of the past-due balance over the agreed repayment period. The customer must remain current on both the installment and all new charges. Failure to comply will result in termination of the payment plan, after which the customer shall be ineligible to enter into another payment plan for a minimum of twelve (12) months and may be subject to service disconnection pursuant to this tariff.

Any customer account carrying a past-due balance of ninety (90) days or more and not enrolled in an active payment plan arrangement is subject to service disconnection and may be referred to collections at the Utility's discretion. Alternative payment arrangements may be considered on a case-by-case basis and are granted solely at the Utility's discretion. The Utility will issue required notices prior to any disconnection or referral to collections in accordance with applicable regulations.

C. Unsafe Equipment

1. The utility may deny or discontinue service to a Customer when:

- a. The utility determines, using commonly accepted Industry Standards including, but not limited to, those published by the National Fire Protection Association (NFPA), Uniform Building Code (UBC), and the American National Standards Institute (ANSI), that the Premises' piping, appliances, or other equipment or the use of either, is unsafe, or;
- b. Any governmental agency, authorized to enforce laws, ordinances, or regulations involving gas facilities and/or the use of gas, notifies the utility in writing that the Customer's gas facilities and/or use of gas is unsafe or not in compliance with such laws, ordinance, or regulations.

2. Communications on Unsafe Equipment

At the time of denial or discontinuance of service as stated in Section 11.C the utility will;

- a. Post a written notice, stating the reason for denial or discontinuance and referring to this Section, at a conspicuous place at the premises, or
- b. Personally deliver the written notice to the occupant of the Premises, and
- c. Within 24 hours of service termination or denial of service, send a copy of the written notice to the Customer in the mail to the billing address.

3. Restoration of Service

The utility will not connect or restore service until:

- a. The utility determines the Customer's gas facilities, appliances or other gas equipment, or the use of either, has been made safe, or
- b. The utility has received written notice from the appropriate governmental agency that the Premises meet applicable laws, ordinances or regulations. It is the Customer's responsibility to resolve the matter with the governmental agency.

4. Responsibility for Inspection

The utility does not assume any responsibility of inspecting or repairing the Customer's gas facilities, appliances or other gas equipment or any part thereof and assumes no liability therefore.

D. Unauthorized Use

The utility may discontinue service if the acts of the Customer or the conditions upon his/her Premises indicate intent to deny the utility full compensation for services rendered, including, but

not limited to, tampering or unauthorized use. Discontinuance of service for nonpayment of bill for unauthorized use shall be in accordance with the provisions of these tariffs for service.

E. Fraud

The utility may refuse or discontinue service if the acts of the Customer or condition on his/her Premises indicate intent to defraud the utility.

F. Non-Compliance with the Utility's Tariffs

Utility may discontinue service to a Customer in the event that Customer fails to comply with any provision of its tariffs relating to payment (except where a dispute as to the correctness of the bill has been raised and is pending as set forth in Section 10.A) or the safety of the Customer's equipment, if, after written notice delivered to the Customer's billing address of premises, the Customer fails to comply with the notice within seven (7) days. This notice may be waived when, in the opinion of the utility, either a dangerous condition has been discovered or a bona fide emergency is found to exist on a Customer's Premises, or in the case of a Customer utilizing the service in such a manner as to make it dangerous for occupants of the Premises, thus rendering the immediate discontinuance of service to the Premises imperative.

G. Usage of Service Detrimental to Other Customers

The utility will not provide service to gas equipment, the operation of which will be detrimental to other gas service, using commonly accepted Industry Standards including, but not limited to the Uniform Building Code (UBC), American National Standards Institute (ANSI), and those published by the National Fire Protection Association (NFPA), and will discontinue gas service to any Customer who continues to operate such equipment after being notified by the utility to discontinue operation.

12. RATES

The rates to be charged by the utility for gas service will be the rates in effect and on file in the utility's office(s) and online at www.islandenergy.com.

13. TEMPORARY SERVICE

The utility shall, if it will not result in undue hardship to its existing Customers, such as limited system capacity or excessive pressure drop, furnish Temporary Service under the following conditions:

1. The Applicant shall pay, in advance or otherwise as required by the utility, the full estimated cost installed, plus the estimated cost of removal, less the estimated salvage of the facilities necessary for furnishing service.
2. The Applicant shall establish credit as required by Section 6.A, except that the amount of deposit prescribed by Section 7.A shall not exceed the estimated bill for the duration of service.

14. SHORTAGE OF GAS SUPPLY AND INTERRUPTION OF DELIVERY

A. Shortage and Interruption

The utility will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of gas to the Customer, and to avoid any shortage or interruption of delivery of same. The utility will not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby, if same is caused by Inevitable Accident, Acts of God, fire, strikes, riots, war or any other cause not within its control. It shall be deemed to be beyond the

control of the utility where the interruption is due to an unanticipated failure of any part of the utility's systems.

B. Temporary Suspension for Repairs

The utility, whenever it shall find it necessary for the purpose of making repairs or improvements to its system, will have the right to suspend temporarily the delivery of gas. In all such cases, reasonable notice as circumstances will permit will be given to the Customer by telephone, communications mailed to the Customer, or publication in a local paper, and the making of such repairs or improvements will be prosecuted as rapidly as may be practicable, and, if practicable, at such times as will cause the least inconvenience to the Customers. In the event of a planned suspension of service for repairs or improvements where the utility has complied with the notice provisions of this Section or the Customer otherwise receives actual notice, utility shall not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby.

C. Apportionment of Supply during Time of Shortage

Should a shortage of supply ever occur, the utility will apportion its available supply of gas among its Customer in the manner that appears to the utility to be most equitable under conditions then prevailing.

D. Curtailment Priorities

The utility may find it necessary to establish curtailment priorities in order to meet a curtailment of gas service to comport with supplier(s) or transporter(s) curtailment requirements. If this becomes necessary, the utility shall do so in a timely manner in order to remain in compliance with all provisions involved with the purchase of gas for the service territory.

E. Liability of Utility

The utility shall not, by taking action pursuant to any portion of Section 14 or any other provision of these tariffs, be liable for any loss, damage, or injury, established or alleged, which may result or be claimed to result there from. In no event shall the utility be responsible for consequential, indirect, special, incidental, punitive or exemplary damages, or damage or loss caused by reason of loss of use, loss of profits or revenues, or cost of capital.

15. DISTRIBUTION LINE EXTENSIONS OR RELOCATIONS

This Section is applicable to changes to gas distribution lines of the utility's standard voltages necessary to furnish permanent gas service to Applicants.

A. Standards

The utility follows PG&E standards for primary and secondary distribution lines. The Applicant should use the PG&E Greenbook to plan, design, and engineer gas distribution line projects.

B. Ownership

The facilities installed under the provisions of this Section up to the Customer Service Point, shall be owned, operated, and maintained by the utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. Point of Connection

The utility shall determine the point on the utility's system from which any extension will be made.

D. Private Lines

The utility may, at its sole discretion, serve an Applicant from connection facilities that are not owned, operated, and maintained by the utility.

E. Right of Way

Where new installations of, or changes to, gas distribution lines or facilities result in the need to locate such new facilities outside of utility's existing easements, Applicant shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication of a PUE as part of a subdivision or other map, for the purpose of conveying to the utility an adequate easement for the maintenance, repair and replacement of the new or relocated facilities. If service facilities must cross property owned by a third party to serve Applicant, it is Applicant's responsibility to obtain and transfer to utility appropriate rights-of-way or easements, satisfactory to the utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the utility.

F. Route of Line

The length and route of a distribution line project will be determined or approved by the utility based on the distance along the shortest most practical, available and acceptable route which is clear of obstructions from the utility's nearest permanent and available distribution facility.

G. Applications and Contracts; Exceptions

1. Each Applicant for a distribution line shall be required to submit to utility for its consideration and approval an application defining the project along with a deposit in the sum of Five Thousand Dollars (\$5,000), after which the Applicant shall execute a Working Contract prior to the utility approving and participating in the project. \$1,400 of the deposit will be used for project administrative support and is non-refundable. The remaining \$3,600 of the deposit will be returned to Applicant after all invoices issued by utility for the project are paid in full and Applicant's responsibilities under the Working Contract or other agreement with utility are fulfilled. The utility reserves the right to apply the non-refundable portion of the deposit towards unpaid project-related invoices.
2. In the event a project for a distribution line has an estimated overall cost of \$20,000 or less, a Working Contract may not be required provided 1) the Applicant signs a short form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, 2) the utility is to conduct all of the work necessary for completion of the project, including the design and installation of all new facilities, and 3) no transfer of title to facilities or easements is required.
3. Applicant and utility may agree that utility shall conduct all of the work necessary for completion of the project, including the design and installation of all new facilities.
4. If the utility is to conduct all of the work as set forth under Section 15(G)(2), Applicant shall remain responsible for all costs and expenses incurred by utility. Further, Sections 15(H)(2) through (9) shall not apply.

H. Applicant Responsibilities for New Distribution Facilities

Applicant is responsible for providing or installing the following items at Applicant's expense by Qualified Personnel, as defined herein, prior to the utility finalizing a distribution line, accepting dedication of the facilities, and connecting them to the utility's facilities:

1. All necessary information to the utility in order for the utility to design the new, relocated or expanded facilities, including but not limited to: improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any of these items that require approval of the City of Vallejo shall be so approved before any construction begins. Where utility agrees to allow Applicant to design the facilities, Applicant shall provide sufficient information to allow utility to review and approve the design submitted by Applicant.
2. Coordination in joint trench planning and engineering with Qualified Personnel in conformance with utility standards.
3. All necessary trenching, back-filling, and other digging as required, subject to utility inspection.
4. All substructures and conduits, subject to utility inspection.
5. All poles and superstructures, subject to utility inspection.
6. All pipes, valves, regulators, and other gas equipment, all of which is to be completed by qualified personnel, and performed to the utility's standards, and are to be subject to utility inspection. The Applicant shall prepare the gas connection to the utility's facilities, but, will not make the final connection to the utilities facilities.
7. All protective structures set forth in the utility's standards, subject to utility inspection.
8. All manufacturers' warranties commensurate with the utility's standards, including a one-year warranty on all workmanship and normal operations on newly installed facilities.
9. Qualified Personnel shall mean personnel who:
 - a. Are technically competent to perform the work;
 - b. Have access to, and utilize the proper equipment to perform the work;
 - c. Have demonstrated financial responsibility commensurate with the scope of the work to be performed;
 - d. Have adequate insurance coverage, such as workers compensation, liability and property damage;
 - e. Furnish a surety bond for performance of the work if required;
 - f. Are licensed in California for the work being performed;
 - g. Are properly qualified for specific skills required including, but not limited to, the State of California High Voltage Safety Orders (Title 8, Chapter 4, Subchapter 5, Group 2); and
 - h. Comply with applicable laws including, but not limited to, Equal Opportunity Regulations, OSHA, and EPA.

I. Utility Responsibilities for New Distribution Facilities

The utility will, at Applicant's expense:

1. Specify the point, or points, on the utility system from which Applicant will extend distribution lines.
2. Design the distribution facilities such that they conform to the standards of the utility as well as all applicable federal, state and local codes and ordinances for utility installations (such as but not limited to the California Business and Professions Code). Where utility agrees to allow Applicant to design the facilities, utility shall review and approve the design submitted by Applicant.
3. Inspect facilities installed by Applicant.
4. Connect conductors to the utility's facilities.
5. Make any necessary arrangements of the utility's facilities to accommodate connection of Applicant's facilities.
6. Perform final testing prior to acceptance of the facilities.
7. Invoice Applicant on a monthly basis for all appropriate utility costs incurred, as defined herein, as the project is worked on and completed, with a final invoice upon completion. If project is expected to be or a duration of 60 days or less, Utility may choose to bill Applicant for all costs with a single final invoice upon completion.

J. Dedication of Facilities

Upon acceptable testing and acceptance by utility of the facilities for use in distribution of gas, ownership of all such facilities shall be transferred to the utility by a bill of sale.

K. Development Refund for New Residential Subdivisions

In the event a Qualified Developer (as defined under Section 22.D) engages in any residential redevelopment in residential areas identified in the Mare Island Re-use Plan, as amended from time to time, the utility will provide refunds to cover a portion of the development costs for newly connected residential load, on a per unit basis. The amount of the refund shall be strictly limited to \$83 per single-family unit; \$60 per multifamily unit of no more than eight units per building; and \$45 per unit for multifamily units of greater than eight units per building. Refunds will be specified in the contracts defining the connection project and will include all monies the Applicant will receive from the utility associated with the project. This one-time refund shall become applicable after 90 days of occupancy of each unit and payable within 45 days of receipt of notice from such Developer and the transfer of facilities and easements in accordance with the Working Contract. The fund from which the refunds are drawn from shall be identified as the "Residential Reimbursement Fund". The Residential Reimbursement Fund was funded through the collection of two percent (2%) of the Gross Annual Receipts for the gas services provided by utility. The Residential Reimbursement Fund had a maximum balance of One Hundred Thousand Dollars (\$100,000). Once the balance in the Residential Reimbursement Fund reaches the maximum level the collection at the rate set forth herein was suspended until the fund level dropped below One Hundred Thousand Dollars (\$100,000). Any obligation to contribute to under this provision was terminated on June 30, 2013. On June 30, 2013 the fund balance was at its maximum level of \$100,000. The Utility will continue to pay refunds for development costs for newly connected residential loads from the Fund until the fund is depleted at which time any obligations of the Utility under this section shall cease. If a refund is sought and payable under

this Section 15 L for any given project, no other refund or reimbursement can be applied for under these tariffs.

L. Utility Expense; Contract Labor and Overhead

All costs and expenses incurred by the utility under this Section 15 shall be fully reimbursed to the utility by Applicant as such charges are incurred and billed for by the utility. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

16. SERVICE CONNECTIONS

This Section is applicable to the connection of new Customers to the utility's distribution system at standard utility pressures necessary to furnish gas service to Applicant.

A. Standards

The utility follows PG&E standards for primary and secondary distribution lines. The Applicant should use the PG&E Greenbook to plan, design, and engineer gas distribution line projects.

B. Ownership

The facilities installed under the provisions of this Section up to the Customer Service Point, shall be owned, operated, and maintained by the utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. Private Lines

The utility may, at its sole discretion and under certain terms and conditions, serve an Applicant from connection facilities that are not owned, operated, and maintained by the utility.

D. Right of Way

Where new installations of, or changes to, gas distribution lines or facilities result in the need to locate such new facilities outside of utility's existing easements, Applicant shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication to of a PUE as part of a subdivision or other map, for the purpose of conveying to the utility an adequate easement for the maintenance, repair and replacement of the new or relocated facilities. If service facilities must cross property owned by a third party to serve Applicant, it is Applicant's responsibility to obtain and transfer to utility appropriate rights-of-way or easements, satisfactory to the utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the utility.

E. Temporary Service

Facilities for temporary service shall be installed in accordance with this Section 16. The Applicant shall be responsible for all costs related to the design, installation and removal of requested facilities.

F. Applications and Contracts; Exceptions

1. Each Applicant for a Customer connection shall be required to submit to utility for its consideration and approval an application defining the project along with a deposit in the sum of Five Thousand Dollars (\$5,000), after which The Applicant shall execute a Working Contract prior to the utility approving and participating in the project. \$1,400 of the deposit will be used for project administrative support and is non-refundable. The remaining \$3,600 of the deposit will be returned to Applicant after all invoices issued by

utility for the project are paid in full and Applicant's responsibilities under the Working Contract or other agreement with utility are fulfilled. The application fee shall apply to the project, which may include both gas and electric components. The utility reserves the right to apply the non-refundable portion of the deposit towards unpaid project-related invoices.

2. In the event a project for a Customer connection has an estimated overall cost of \$10,000 or less, a Working Contract may not be required provided a) the Applicant signs a short form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, b) the utility is to conduct all of the work necessary for completion of the project, including the design and installation of all new facilities, and c) no transfer of title to facilities or easements is required.

3. Applicant and utility may agree that utility shall conduct all of the work necessary for completion of the project, including the design and installation of all new facilities.

4. If the utility is to conduct all of the work as set forth under Section 16(F)(2) or (3), Applicant shall remain responsible for all costs and expenses incurred by utility. Further, Sections 16(I)(2) through (9) shall not apply.

G. Obligation of Customer to Provide Access

1. The Applicant shall be responsible for providing the utility with ready access to the premises.

2. The utility shall at all times have the right to enter and leave Applicant's premises for any purpose connected with the furnishing of gas service. The purposes include, but are not limited to, meter reading, inspection, testing, routine repairs, replacement, maintenance, emergency work, and the exercise of any and all rights secured to it by law, or under the utility's tariffs.

3. If the utility determines that its access to premises is impaired then the Applicant or Customer will at their expense either correct the access or clearance infractions or pay the utility its costs to relocate the facility to a new location which is acceptable to the utility. Applicant or Customer will be responsible for the expense of such relocation along with any expense that is incurred in relocating non-utility facilities. Failure to comply with corrective measure within 30 days of notification by the utility can result in discontinuance of service.

H. Connections to Utility Equipment

Only personnel authorized by the utility are allowed to connect or disconnect service conductors to or from the utility's facilities, remove meters, remove the utility owned facilities, or perform any work upon the utility owned facilities. Failure to abide by this provision may result in discontinuance of service and may result in additional legal actions taken by the utility.

I. Applicant Responsibilities for Service Installation

Applicant is responsible for providing and installing the following items at Applicants expense by Qualified Personnel (as defined in Section 15.H.9 hereinabove), conforming to the utility's standards, prior to the utility connecting the Customer to the utility's facilities:

1. All necessary information to the utility in order for the utility to design the new, relocated or expanded facilities. Such information may include but is not limited to: improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any of these items that require approval of the City of Vallejo shall be so approved before any construction begins. Where utility agrees to allow Applicant to design the facilities, Applicant shall provide sufficient information to allow utility to review and approve the design submitted by Applicant.
2. Coordination in joint trench planning and engineering with Qualified Personnel in conformance with utility standards.
3. All necessary trenching, back-filling, and other digging as required, subject to utility inspection.
4. All substructures and conduits, subject to utility inspection.
5. All poles and superstructures, subject to utility inspection.
6. All pipes, valves, regulators, and other gas equipment required to complete the connection of the Applicant's facilities to the utility's distribution system, subject to utility inspection. The Applicant shall prepare the gas connection to the utility's facilities but will not make the final connection to the utility's facilities.
7. All protective structures set forth in the utility's standards, subject to utility inspection.
8. All manufacturers' warranties commensurate with the utility's standards, including a one-year warranty on all workmanship and normal operations on newly installed facilities.
9. Provide the utility with evidence that all required local government inspections have been satisfactorily cleared before requesting connection.

J. Utility Responsibilities for Service Installation

The utility will at Applicant's expense:

1. Determine the point on the utility's system at which the connection will be made.
2. Design the distribution facilities such that they conform to the standards of the utility as well as all applicable federal, state and local codes and ordinances for utility installations (such as but not limited to the California Business and Professions Code). Where utility agrees to allow Applicant to design the facilities, utility shall review and approve the design submitted by Applicant.
3. Inspect facilities installed by Applicant.
4. Connect conductors to the utility's facilities.
5. Make all necessary arrangements for the utility's facilities to accommodate connection of Applicant's facilities.

6. Invoice Applicant on a monthly basis for all utility costs incurred as the project is worked on and completed. All invoices shall include a detailed breakdown for the costs incurred.

K. Dedication of Facilities

Upon acceptable testing and acceptance by the utility of the facilities for use in distribution of gas, ownership of all such facilities shall be transferred to the utility.

L. Metering Facilities

1. General

- a. The Applicant is responsible for the installation of a meter base that meets the utility's standards and that will accommodate a utility meter(s) unless the service connection is installed by the utility.
- b. The utility will meter the delivery of all natural gas, unless otherwise provided for in the utility's tariffs.
- c. All utility meters and associated metering equipment shall be located at some protected location on the Applicant's premises as approved by the utility.
- d. The load served at each meter location will be clearly designated by the Customer. Load served behind one meter may not be transferred to be served by another meter unless the Customer received prior utility approval.

2. Number of Meters

A single meter is required for each single enterprise operating in one building or group of buildings or other development on a single premises such as, but not limited to, a commercial business, school campus, industrial manufacturer, residence, or recreational vehicle or mobile home park, unless otherwise approved by the utility.

The utility will normally install only one meter for each premises except:

- a. When otherwise required or allowed under the utility's rate schedules,
- b. When determined by the utility, for its operating convenience to be consistent with its engineering design,
- c. When required by law or local ordinance; or,
- d. When additional services are granted by the utility.

Master metering may be approved if, in the opinion of the utility, master metering is in the best interest of the parties involved. However, if the master meter Customer submeters and furnishes gas to individual tenants, the rates and charges to the tenant must not exceed those charges that would apply if the tenant were purchasing gas directly from the utility.

3. Multiple Occupancy

In a building with two or more tenants, or where the utility furnishes more than one meter on the same premises, the utility's meters shall normally be grouped at one central

location or as otherwise specified by the utility. In such cases each meter position or socket shall be clearly and permanently marked by the Applicant, Customer, or owner of the premises to indicate the particular unit, occupancy, or load supplied by it.

M. Required Connection Equipment

The Applicant, or Customer, shall, at their sole liability, risk and expense, be responsible to furnish, install, own, maintain, inspect, and keep in good and safe condition, all facilities of any kind or character on Applicant's or Customer's premises that are not the responsibility of the utility but are required for the Applicant or Customer to receive service. Such equipment shall include but not be limited to termination equipment, valves, pipes and all equipment within all buildings, connectors, meter bases and sockets, meter and instrument housing, service valves, machinery and apparatus of any kind or character.

N. Liability

The utility shall incur no liability for damage, loss or injury occasioned by:

1. Applicant or Customer owned equipment in support of Applicant's or Owner's transmission and delivery of energy, or;
2. Active or passive negligence, omission of proper protective devices, want of proper care, or wrongful act of Applicant or Customer or any of Applicant's or Customer's agents, employees or licensees in installing, maintaining, using, operating or interfering with the utility's equipment.

O. Facility Tampering

The Applicant or Customer shall provide a suitable means acceptable to the utility for placing the utility's seals on meter rings and covers of service enclosures and instrument enclosures that protect unmetered and pressurized pipes. Only utility authorized employees shall be authorized to break such seals once installed. However, in an emergency the utility may allow a public authority or other appropriate party to break the seal. Any unauthorized tampering with utility seals or connection of Applicant or Customer owned facilities to unmetered pipes is prohibited and is subject to discontinuance of service and other appropriate actions.

P. Building Code Requirements

Any service equipment and other related equipment owned by the Applicant or Customer as well as any vault, room, enclosure, or lifting facilities for the installation of the utility equipment, shall conform to applicable laws, codes, and ordinance of all governmental authorities having jurisdiction.

Q. Reasonable Care

Applicant or Customer shall exercise reasonable care to prevent the utility's natural gas equipment and related facilities that are located on the Applicant's or Customer's premises from causing or suffering damage, destruction or interference, and will inform the utility of any such potential or actual damage, destruction or interference immediately. Applicant or Customer may be required to install protective devices, including mechanical protection (barrier posts, etc.), suitable to the utility if the utility deems it appropriate. Applicant or Customer must also install any protective devices necessary to protect itself and third parties from suffering injury or damage from, or causing damage to, the utility's electrical equipment and related facilities. However, utility reserves the right to require modification or removal of such protective devices if such protective devices interfere with utility's provision of services or control of utility's facilities.

R. Government Inspection

The utility will only establish service to the Applicant or Customer following notice from the governmental authority having jurisdiction that the facilities have been installed and inspected in accordance with any applicable laws, codes, ordinances, rules or regulations, and are safe to pressurize.

S. Damaged Facilities

When others damage the utility's facilities, the repair will be made by the utility at the expense of the party responsible for the damage. Applicants and Customers are responsible for repairing their own facilities.

T. Relocations and Rearrangements

The Customer shall be responsible for the costs incurred by the utility for any relocation or rearrangement of utility equipment that is the result of any work conducted, or caused to be conducted within the utility's service territory. Any change to the utility's system required under this section will be subject to the application and construction process described in Section 15 as applicable.

U. Enlargements

The Customer shall be responsible for the costs incurred by the utility to meet any load increase at the Customer's facilities, plus any repair of any damage done due to the Customer overloading the utility's equipment.

V. Utility Expense; Contract Labor and Overhead

All costs and expenses incurred by the utility under this Section 15 shall be fully reimbursed to the utility by Applicant as such charges are incurred and billed for by the utility. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

17. NON-STANDARD AND SPECIAL FACILITIES

A. General

Special Facilities are considered to be existing, enlarged or new facilities installed, used and/or maintained by the utility at the Applicant's request in addition to, as enlargements of, as alternate to, or in substitution for, the standard facilities which the utility would normally install, maintain or use and which represent additional costs to the utility over normally installed facilities. These facilities can include, but are not limited to, Customer connection costs, installation and/or maintenance of facilities downstream of the meter, and facilities where the cost is in excess of the standard connection costs. Except where provided by rate schedule, installation and/or maintenance of special facilities will be made at the utility's option, provided the type of special facilities requested is acceptable to the utility and the utility agrees to the installation and/or maintenance of the special facilities, under the conditions set forth in this Section.

B. Customer Status

A Temporary Service Customer will not be eligible to apply for Special Facilities.

C. Utility Limitations

The utility shall install/maintain the requested facilities so long as the facilities do not pose, in the opinion of the utility, a hardship on the utility.

D. Basis of Cost

The Applicant will execute a contract covering the installation and/or maintenance of special facilities. In addition to providing for the payment of charges as determined under a rate schedule, the contract will provide for the following:

1. An estimate of the cost of the special facility that the Applicant is requesting the utility to install and/or maintain; and,
2. The one-time payment amount equal to the portion of the total estimated cost of the facility multiplied by a factor of 1.75. This payment shall not be refundable should Customer's use of the special facilities not last as long as initially projected for any reason.

E. Payment Schedule

At the mutual agreement of the utility and the Customer a contract may be entered into that will provide for extended payments of the amount calculated in 17.D.

F. Contract Responsibilities

If the utility is required to alter or rearrange the special facilities Applicant shall be notified of such necessity and shall be responsible for all costs the utility incurs in converting this service or shall terminate service under this agreement.

G. Ownership of Equipment

At all times, Special Facilities shall remain the property of the utility.

H. Termination Provisions

The Applicant may terminate a Special Facility contract on 30-day notice unless otherwise specified within a mutually agreed to contract between the Customer and the utility.

18. METER TESTS AND ADJUSTMENTS OF BILLS**A. General**

When regular, accurate meter readings are not available or the gas usage has not been accurately measured, the utility may estimate the Customer's gas usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use and the general characteristics of the Customer's load and operation.

B. Meter Tests

Any Customer may, upon not less than 15 working days notice, require the utility to test the accuracy of any meter through which service is provided to the Customer. When a Customer requests a meter test within 24 months of the completion of a meter test finding that the meter is operating accurately and where the results of the prior test were provided to the Customer, the Customer shall pay the utility \$50.00, escalated by CPI from January 1997, in advance for the meter test.

The amount so charged will be returned to the Customer if the meter is found, upon test, to register more than 2% fast, or slow, under conditions of normal operation.

The Customer shall have the right to require the utility to conduct the test on the meter serving that Customer in the Customer's presence, or in the presence of an expert or other representative appointed by the Customer at the time of the request for a meter test.

All meters will be tested at the time of their installation and no meter will be placed in service or allowed to remain in service that has an error in registration in excess of 2% under conditions of normal operation.

C. Adjustment of Bills for Meter Error

A meter error is incorrect gas registration resulting from a malfunctioning or defective meter or pressure correction device. It does not include billing errors, unauthorized use, or an error in registration caused by meter tampering by an unauthorized person. It also does not include conditions such as incorrect meter readings, meter dial-overs, or switched meters. Where meter error is discovered as the result of a meter test, the utility may render an adjusted bill to the Customer for the amount of the undercharge and shall issue a refund or credit to the Customer for the amount of the overcharge, computed back to the date that the utility determines the meter error commenced, except that the period of adjustment shall not exceed one year. Such adjusted bill shall be computed in accordance with the following:

1. **Fast Meter.** If a meter is found to be registering more than 2% fast, the utility shall refund to the Customer the amount of the overcharge based on the corrected meter readings or the utility's estimate of the gas usage either for the known period of meter error or, if the period of error is not known, for the period during which the meter was in use, in either situation not exceeding six months.
2. **Slow Meter.** If a meter is found to be registering more than 2% slow, the utility may bill the Customer for the amount of the undercharge based on corrected meter readings or the utility's estimate of the gas usage either for the known period of meter error or, if the period of meter error is not known, for the period the meter was in use, in either situation not exceeding 6 months.
3. **Non-registering Meter.** If a meter is found to be non-registering, the utility may bill the Customer for the amount of the undercharge based on the utility's estimate of the gas service used but not registered, for a period not exceeding one year.

D. Adjustment of Bills for Billing Error

A billing error is an error by the utility that results in incorrect billing charges to the Customer. Billing errors may include incorrect meter reads or clerical errors by a utility representative such as applying the wrong rate, wrong billing factor, or an incorrect calculation. Billing error does not include meter error or unauthorized use, nor any error in billing resulting from meter dial over caused by other than the utility, switched or mismarked meters by other than the utility, inaccessible meter, failure of the Customer to notify the utility of changes in the Customer's equipment or operation, or failure of the Customer to take advantage of a rate or condition of service for which the Customer is eligible.

Where the utility overcharges, or undercharges, a Customer as the result of billing error, the utility may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, for the period of the billing error, but, not exceeding one year.

E. Adjustment of Bills for Unauthorized Use

Unauthorized use is the use of energy in noncompliance with the utility's tariffs or applicable law. It includes, but is not limited to, meter tampering, unauthorized connection or reconnection, theft, fraud, intentional or unintentional use of gas whereby the utility is denied full compensation for gas service provided.

Where the utility determines that there has been unauthorized use of gas service, the utility may bill the Customer for the utility's estimate of such unauthorized use. Such estimated billing shall indicate unauthorized use for the most recent three years and, separately, unauthorized use beyond the three-year period for collection as provided by law. However, nothing in this Section shall be interpreted as limiting the utility's rights and/or remedies in any provisions of any applicable law.

F. Limitation on Adjustment of Bills for Energy Use

For any error in billing not defined as billing error, meter error, or unauthorized use, the utility is not required to adjust the bill. However, any billing adjustment not specifically covered in the tariffs for an undercharge or overcharge shall not exceed one year.

G. Interest on Bills for Unauthorized Use

The utility will bill and collect interest at a rate which is the lesser of eighteen (18) percent per annum on unauthorized use billings from the date the unauthorized use commenced, or the maximum interest allowed by law, as well as on any amortized repayment agreements.

H. Recovery of Associated Costs for Unauthorized Use

The utility will bill and collect the associated costs resulting from the unauthorized use including, but not limited to, investigative, repair and equipment damage costs.

19. SUPPLY TO SEPARATE PREMISES AND RESALE

A. Separate Metering

Separate Premises, even though owned by the same Customer, will not be supplied through the same meter, except as may be specifically provided for in the Rate Schedules.

B. Furnishing and Metering of Gas

Each single-family dwelling unit, multi-family dwelling unit, mobile home park space, or non-residential tenant space shall be individually metered by the utility.

C. Other Uses and Premises

1. A Customer shall not furnish or use gas received from the utility upon other Premises, except for the utility's operating convenience, or for other purposes than those specified in the Customer's application for service or in the applicable Rate Schedule.
2. Sub-metering of gas is prohibited except as provided for in this Section. In the event that gas is sub-metered other than as provided for in this Section, the utility may either discontinue service to the Customer, or furnish gas directly to the sub-metered entity at the utility's option.

20. SPECIAL SERVICE CHARGES

The Customer may, at their discretion, request the utility and the utility at its discretion may provide, the service of investigation of the Customer's gas system on the Customer's side of the meter. Such investigation shall be conducted at a fee in accordance with Rate Schedule MISC. The Customer shall be informed of an estimate of these fees in advance of the inspection.

21. FACILITY RELOCATION FUND

A. General

As part of the ongoing efforts to redevelop Mare Island, a facility relocation fund ("Relocation Fund") will be established to provide financial assistance to the City of Vallejo ("City") or a Qualified Developer (as defined herein) for use in the relocation or reworking of electric and gas utility facilities in conjunction with City's redevelopment activities on Mare Island. There shall be but one fund from which both electric and gas relocation projects may receive funding. The same application procedure will be applicable to both and withdrawals from the Relocation Fund for gas projects will reduce the funds availability for electric projects and visa versa.

B. Contributions To Fund/Maximum Balance

The utility will commence regular contributions to the Relocation Fund by the collection of two percent (2%) of the gross annual receipts from the sale of electricity and gas by the utility. The Relocation Fund shall have a maximum balance of Three Hundred Fifty Thousand Dollars (\$350,000) at any one time. Contributions to the Relocation Fund shall continue on an ongoing basis until the maximum balance is attained. At such time the maximum balance is attained, all collections for this fund and contributions by the utility shall cease. If a withdrawal causes the balance in the Relocation Fund to drop below the maximum balance herein established, utility shall once again commence making contributions under these same terms beginning on the month following the month during which the Relocation Fund was so reduced. The Relocation Fund shall not be increased by receipt of interest on its balance at any time. Any interest earned on the principal balance shall be directed into utility's operational account for general purpose use. There shall be no monetary obligation by the utility under this Section 21 beyond the balance contained in the Relocation Fund.

C. Withdrawal From Fund

The City or any Developer under contract with the City for the redevelopment of any portion of Mare Island ("Qualified Developer") may request assistance from the Relocation Fund for use in utility relocation made necessary by redevelopment activities on Mare Island. Any application of funds from the Relocation Fund must be utility related and limited to relocating electric and gas facilities in conformance with Mare Island Reuse Plan, as amended from time to time. The amount of support under the Relocation Fund is limited to the balance of the Relocation Fund as determined hereunder.

E. Procedures for Withdrawal

The City or a Qualified Developer may request a withdrawal from the Relocation Fund for use consistent with Mare Island Reuse Plan under the following criteria:

1. The City or Qualified Developer may request funds in support of the relocation of electric and/or gas distribution facilities owned by the utility on a specific project-by-project basis.
2. Such request shall be tendered to the utility in writing, indicating the specific project, and the amount requested, the time frame during which relocation activities should be completed, and any other information or data pertaining to the project which is required by the utility to meet both the funding and relocation requirements associated with the project.
3. The City and the utility shall work together to develop a form of request satisfactory to meet the needs of the City, any Qualified Developer and the utility.
4. The City and the utility shall endeavor to communicate on an ongoing basis so that any projects might be foreseen, and may be approached as efficiently as possible.
5. The City or any single Qualified Developer Shall not be entitled to a withdrawal of

more than fifty percent (50%) of the Relocation Fund balance as it exists on the date and at the time of the submittal of the application under this section, after having deducted all amounts which are the subject of prior applications under consideration. In the event a prior application is denied prior to a final determination on the later application, the funds available to the later Applicant shall be recalculated as if the prior application had not been made. Prior to payment hereunder, the City or a Qualified Developer must (a) have submitted a project application, (b) paid the application fee, (c) entered into a Working Contract with utility, (d) completed the project in compliance with all of the terms of its agreements with utility and (e) be in compliance with these tariffs. Any failure to comply with the requirements of this Section shall result in the restoration of the funds earmarked for the City or a Qualified Developer to the Relocation Fund. The application for a withdrawal from the Relocation Fund will be processed in the order in which the applications are submitted.

6. In the event that the City or a Qualified Developer otherwise meets all of the criteria set forth in this Section 21 and the Executive Director has agreed to fund in whole or in part the relocation project, such Applicant may request to have the utility carry out the relocation project. The utility, if it accepts responsibility for the design and construction of the relocation project, shall charge the Relocation Fund for all engineering, design, construction, labor, equipment and other costs and expenses, to the extent of the funds would otherwise be available to the City or a Qualified Developer. Any costs above and beyond the funds available hereunder shall be the sole responsibility of the Applicant as otherwise provided under these tariffs. For relocation project with estimated cost less than \$10,000, the utility General Manager shall have sole discretion to decide whether the utility will take on the project or not. For relocation project with estimated cost over \$10,000, the Executive Director shall have sole discretion to decide whether the utility will take on the project or not.

7. The Executive Director of Pittsburg Power Company ("PPC") shall review each request for withdrawal from the Relocation Fund for all projects with an estimated cost of more than \$10,000, and shall, at the Executive Director's sole discretion, decide to fund or not to fund the requested relocation project out of the Relocation Fund. The Executive Director's decision will be based on the finding of whether or not the project is viable and can be completed successfully, is consistent with the Reuse Plan, as amended from time to time, and is consistent with the conditions of this Section. For all projects with an estimated cost of \$10,000 or less, the General Manager shall be responsible for the review and determination whether or not to approve the application, and in making such determination shall exercise the same discretion as that exercised by the Executive Director on projects with an estimated cost of more than \$10,000.

8. For projects with an estimated cost of more than \$10,000, a City or Qualified Developer who is not satisfied with the decision of the Executive Director, has recourse by appeal to the full Board of Directors of PPC ("Board"). In which event the City or Qualified Developer shall, within ten (10) days of the mailing of the Executive Director's written decision, submit a written appeal containing all arguments in favor of the use of Relocation Funds for project, along with any relevant exhibits demonstrating compliance with the conditions of this Section to the Board. The Board will thereafter consider the appeal in a timely manner at a regular noticed meeting and its decision shall be final. For projects with an estimated cost of \$10,000 or less, the decision not to approve the use of funds from the Relocation Fund will, at the request of the Applicant, be reviewed by the Executive Director, whose determination shall be final.

9. The amount of funding available to the City or Qualified Developer under this

procedure is strictly limited to the amount determined under Section 21(F)(5) above.

10. All funds held in and distributed from the Relocation Fund are public funds within the meaning set forth in California Labor Code sections 1720, et seq., and may or may not be subject to the prevailing wage laws contained therein. The City or Qualified Developer shall indemnify the utility and PPC against any and all claims regarding any failure to pay prevailing wages.

F. Limited Obligation

Other than as set forth in Section 21 and in Sections 15.K, the utility shall incur no other obligation to fund the utility facility expenses incurred by the City or any developer.

G. Termination

The relocation fund shall terminate at the earlier of the following dates: a) the date on which those Qualified Developers having charge of redevelopment pursuant to the Reuse Plan, as amended from time to time, have completed their work or b) February 1, 2025.

22. CALIFORNIA PUBLIC BENEFITS PROGRAM FOR NATURAL GAS

A. General

Public Utilities Code Section 890 imposed a surcharge on all natural gas consumed in California and Section 892 requires that the surcharge be remitted to the State Board of Equalization. Section 898 exempts Island Energy, as a municipal utility, from the requirement of collecting and remitting the surcharge if its published tariffs offer certain public benefits programs such as home weatherization services, rate assistance for low-income customers, cost-effective energy efficiency and conservation activities, and public interest research and development.

B. Island Energy Public Benefits Fund for Natural Gas

The Island Energy Public Benefits Fund for Natural Gas charge is one percent (1%) of the applicable Island Energy Delivery Charge, per therm.

The Public Benefits Fund for Natural Gas charge shall appear as a separate line item on the utility bills. The fee will be collected on the natural gas revenues of all Customers tied to Island Energy's distribution system. The collected funds will be maintained in a separate account and disbursed for the Public Benefits Program for Natural Gas.

D. Island Energy Public Benefits Programs

The Island Energy Public Benefits Funds will be used to fund the following programs on a first-come, first-served basis subject to available funds:

1. Residential Energy Advisory Services Program

Island Energy will provide free on-site residential energy analysis and advice on how to conserve energy. Also, Island Energy will provide free educational brochures and mailings to its customers demonstrating how they can conserve energy through demand side management techniques.

2. Residential Low Income Assistance Program

Island Energy provides discounted natural gas rates to eligible low-income residential Customers to assist with payment of utility bills. To qualify, an Applicant must submit a completed program application and provide a copy of their prior year U.S. Tax Return along with sufficient documentation to verify total household income. Household income

must not exceed the limits shown in the table below for the corresponding number of persons residing in the home.

Eligible Applicants will receive a 20% discount on their residential natural gas rate.

Customers on the discounted rate must verify continued eligibility on an annual basis and notify the Utility within thirty (30) days if their financial circumstances change such that they no longer meet the low-income eligibility criteria. If the Utility determines that a Customer no longer meets eligibility requirements, the Customer will be removed from the program and may be rebilled under the applicable full-rate schedule for any period of ineligibility.

<u>Number of Persons in Household</u>	<u>Maximum Annual Household Income</u>
1-2	\$31,300
3	\$36,800
4	\$44,400
5	\$52,000
6	\$56,600
Each additional member, add:	\$7,600

3. Home Weatherization Services

The utility offers rebates for home insulation and installation of energy efficient windows. This program does not allow for reimbursements to developers of residential or commercial developments. In order to be considered for this rebate, the Customer must complete, sign and submit a Home Weatherization Program application form to the utility, along with an original or legible copy of the purchase receipt. A utility representative may call to schedule a physical inspection of the installed insulation or windows prior to issuing a rebate. Rebates under this program are the lesser of: (a) 50% of weatherization costs up to a maximum amount of \$1,000; or (b) 50% of the balance of the Public Benefits Fund for Natural Gas at the time the application is approved.

4. Commercial Energy Efficiency Rebate Program

This program is designed to provide certain rebates for designated energy conservation measures to commercial customers who receive natural gas service from the utility. Commercial customers who desire to improve energy efficiency within their facilities and seek to take advantage of this program may file an application with the utility in the form provided by the utility and posted on its website. The following additional requirements shall apply:

- a. The Applicant must be able to demonstrate that recently installed improvements or planned improvements, for which it seeks contribution to the expense of the improvements, will result in a reduction in the use of natural gas by at least 10%. The application must be accompanied by: (a) copies of any executed contract with a contractor who is going to install the energy efficiency improvement measures; (b) copies of any reports demonstrating the actual or, in the event the improvements have not yet been installed, anticipated energy savings; (c) invoices for qualified energy efficiency products purchased and installed, or to be installed; and, (d) any other supporting information.

b. A utility representative may call to schedule a physical inspection of the planned or installed improvements or request further information in order to evaluate if and to what extent, the improvements qualify for reimbursement under this program.

c. Funds originally earmarked under one application will be made available to other Customers if the Applicant fails to submit all required supporting documents and install the proposed energy efficiency improvements within the required time period.

d. After installation and a three-month window allowing the utility to collect natural gas consumption data from the service location which successfully demonstrates the requisite energy reduction, the utility will make the appropriate reimbursement. The utility has sole discretion to determine the applicable rebate amount and program eligibility, and its determination shall be final in all cases.

e. Reimbursement is subject to funds available under the Public Benefits Fund Program and will be made available in the order in which all applications are received. Rebates under this program are the least 50% of the project equipment cost up to a maximum amount of \$35,000; or (b) 50% of the balance of the Public Benefits Fund for Natural Gas at the time the application is approved.

f. The natural gas rebate catalog provides rebate calculations based on expected natural gas savings for replacement of the following types of equipment:

- Space heating
- Water heating
- Commercial Kitchens

Other types of equipment which improve the efficiency of natural gas consumption may be eligible for similar rebates using the natural gas rebate catalog calculations if the equipment is shown to improve efficiency under generally accepted engineering principles.



Rate Schedule GS-1
METERED INDUSTRIAL/COMMERCIAL GAS SERVICE

APPLICABILITY

This service is available to all non-residential Customers receiving metered gas service

TERRITORY

Applicable throughout the service territory.

RATES

Basic Service Fee, per meter per day\$0.6322

Island Energy Delivery Charge, per Therm.....\$1.1704

Energy Cost Pass Through, per Therm (See Special Condition 3.)

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2.1 of this Tariff.
2. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and reinitiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
3. As frequently there are changes to the charges for natural gas delivered to Island Energy there will be a change to the Energy Cost Pass Through Rate. This rate will equal the forecast total price for natural gas delivered to Island Energy divided by the forecast sales, plus an amortization of any prior over, or under, collections.



Rate Schedule GS-2
METERED RESIDENTIAL GAS SERVICE

APPLICABILITY

This service is applicable to all residential Customers receiving metered gas service. A residential Customer is defined as using a low-pressure domestic service for heating, cooking, water heating, or a combination thereof, in single family dwellings, flats, and apartments, separately metered by the utility and low-pressure service used in common for residential purposes by tenants in multi-family dwellings.

TERRITORY

Applicable throughout the service territory

RATES

Basic Service Fee, per meter per day.....\$0.1902

Island Energy Delivery Charge, per Therm.....\$1.1704

Energy Cost Pass Through, per Therm (See special condition 3.)

The minimum charge on the Rate Schedule shall be equal to the Basic Service Fee.

SPECIAL CONDITIONS

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in 2.01.
2. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
3. As frequently there are changes to the charges for natural gas delivered to Island Energy there will be a change to the Energy Cost Pass Through Rate. This rate will equal the forecast total price for natural gas delivered to Island Energy divided by the forecast sales, plus an amortization of any prior over, or under, collections.



SHEET NO. 98-04-SE
CANCELING SHEET NO. None

Rate Schedule SE
SERVICE ESTABLISHMENT FEE

APPLICABILITY

Applicable to all gas Customers requesting service from the utility, where all facilities are in place to allow the establishment of service by a single meter.

TERRITORY

Applicable throughout the service territory.

RATES

Service Establishment Charges

During normal working hours	\$15.00
During normal working hours with less than four hours notice	\$30.00
During non-working hours	\$60.00

SPECIAL CONDITIONS

1. The service establishment charge provided herein is in addition to the charges calculated in accordance with all other charges and applicable tariffs. The charge will be made each time an account is opened and will include a turn-on or reconnection of gas service requiring a meter set or change of name on the account, or additional meter read.



Rate Schedule MISC
MISCELLANEOUS FEES

APPLICABILITY

Applicable to all gas Customers requesting miscellaneous services from the utility.

TERRITORY

Applicable throughout the service territory.

RATES

Project Application Fee

A \$250.00 project application fee is required at the time when a project application is submitted to Island Energy.

Project Deposit and Invoicing

A deposit equal to 25% of the total estimated project cost is required before work begins. The remaining project costs will be invoiced on an ongoing basis until the full project cost has been collected. A late penalty equal to 10% of the total invoice amount will be assessed on any customer project invoice not paid by the stated due date.

Island Energy Labor Rates

During normal working Published City of Pittsburgh Full Cost Hourly Rate
(7:30am to 4:00 pm) Monday through Friday and not holidays)

During non-normal working hours.....1.5 times Published City of Pittsburgh Full Cost Hourly Rate

There will be a 1-hour minimum charge per event, billed in increments of one-half hour thereafter.

Project Administration Charge

In the case that the Utility handles contractor contracts and materials for the Customer, project costs including but not limited to equipment, materials, engineering and contractor fees will be subject to a 10% mark up to cover project administration costs.



Gas Tariff

Applicable to

Island Energy



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Rate Schedule GS-2, Metered Residential Gas Service

Rate Schedule SE, Service Establishment Charge

Rate Schedule MISC, Miscellaneous

I. GENERAL INFORMATION

1. Territory Served. Island Energy ("utility") supplies all gas service in the entire area referred to as Mare Island, in the City of Vallejo, CA.

2. Measurement. Measurements will be made by use of a standard gas meter furnished by the utility unless otherwise specified on the Rate Schedule.

3. Confidentiality of Customer Information. Island Energy will maintain the confidentiality of all Customer information, including identification information and all data associated with gas, electric and other service consumption. Customers may request such information for their own use in writing from Island Energy, and such data will be provided in a timely manner.

II. GAS RULES

1. DEFINITIONS

Applicant: A person or entity requesting the utility to supply gas service, relocate gas facilities, or upgrade gas facilities.

Billing Period: A period of time, during which utility services are measured and for which such services are invoiced to Customers. The billing period will generally be between 27 and 33 calendar days.

Customer: The person or entity in whose name service is rendered as evidenced by the signature on the application, contract, or agreement for that service, or, in the absence of a signed instrument, by the receipt of payment of bills regularly issued in that persons name.

Customer Service Point: The point of connection between the facilities of the serving utility and the piping of the Customer's premises.

Developer: A company (or individual) which develops land or changes and enhances the use of a parcel of land or an existing building for some new purpose within the service area of utility.

Electronic Transfer: Paper-less exchange of data and/or funds, usually involving computer and telecommunications technology.

Eligible Expenses: Eligible Expenses are defined as gas equipment expenses incurred in the installation of new commercial natural gas distribution systems, including but not limited to pipes, valves, and regulators, but not the relocation or rearrangement of the existing gas system, pursuant to a Working Contract. Eligible Expenses do not include expenses incurred under the Working Contract for excavation, conduits, substructures and protective structures. Applicant shall remain responsible for the cost of all relocation, rearrangement and removal work, unless the work qualifies for reimbursement under Section 21.

Inevitable Accident: An occurrence causing an interruption in service which is outside of the control of the utility and which the utility could not have prevented by the utility's reasonable diligence in its operation of the subject facilities. Occurrences caused by the age of the utility systems shall not be deemed preventable.

High-pressure: Pressure greater than Low-pressure.

Low-pressure: Shall be an average pressure equivalent to fourteen inches of water column, or less.

Mailed: Any notice or other communication will be considered "mailed" when it is sent electronically (email, text or other electronic format) or enclosed in a sealed envelope, properly addressed, and deposited in any United States Post Office box, postage prepaid. The postmark date for notices or other communication sent electronically will be considered the date the communication was sent.

Mixed Use Residential/Commercial Development: Any development which incorporates both residential and commercial uses i.e. first floor retail or educational and second or third floor residential.

New Permanent Load: A New Permanent Load is a new load resulting from and/or benefited by the improvement or expansion of the existing natural gas system pursuant to a Working Contract.

Paid or Payment: Funds received by utility through postal service, utility payment office, utility authorized agent, credit card payments to the utility or deposited in utility bank account by Electronic Transfer.

Premises: All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided, excepting in the case of industrial, agricultural, oil field, resort enterprises and public or quasi-public institutions, by a dedicated or undedicated street, highway or other public thoroughfare or a railway. Automobile parking lots constituting a part of and adjacent to a single enterprise may be separated by an alley from the remainder of the Premises served. In the case of a premises on which a master meter is installed, premises shall refer to all of those residences, dwelling units, mobile home spaces, stores, offices or other places of business for which the consumption of gas is measured and assessed by the master meter.

Protective Structures: Are fences, retaining walls, grading, sound barriers, posts, barricades and other structures as required by the utility to protect its facilities or equipment.

Ready Access to Premises: Is where the Customer, or Applicant, makes access to the utility's facilities available in a manner that is safe and unobstructed to utility personnel and vehicles. This means that utility personnel will not come in contact with unrestrained animals while accessing utility equipment. It also means that the utility will have unobstructed ability to reach all utility equipment.

Temporary Service: Service for enterprises or activities which are temporary in character or where it is known in advance that service will be of a limited duration. Service which, in the opinion of the utility, is for operations of a speculative character or the permanency of which has not been established, also is considered Temporary Service.

Vessel: A means of transportation on water used for recreational, navigational or commercial purposes.

Working Contract: The Working Contract shall be that contractual agreement entered into by and between the utility and an Applicant for performing gas transmission or distribution system work under these Tariffs.

2. DESCRIPTION OF SERVICE

A. General

The character of service available at any particular location should be ascertained by inquiry at the utility's office. The utility's Rate Schedules are applicable for service where the Customer purchases their entire gas requirements from the utility, except when such Rate Schedules specifically provide otherwise.

B. Kind and Heating Value

The gas supplied by the utility is natural gas. The heating value of the gas may change from time to time as the supply from various natural gas fields, as gathered and transmitted to the utility may vary.

C. Pressure

Gas supplied at the outlet of a meter will normally be at low-pressure. Where gas is metered at Low-pressure, a cubic foot of gas shall be construed to be that volume of gas which, at the temperature and pressure existing in the meter, occupies one cubic foot. Gas will be supplied at high-pressure, upon approval of the utility, when and where such service is available from existing high-pressure utility facilities. High-pressure service shall be subject to change to higher or lower pressure at any time at the option of the utility. Where gas is served at pressures above the standard Low-pressure through positive displacement meters, the metered volume shall be corrected to a standard pressure of 14.73 pounds per square inch absolute. The utility shall, as appropriate, correct for deviation from Boyle's Law.

D. Conversion of Metered Volumes to Therms

For rate schedules that provide for the determination of therms the number of therms to be billed shall be the product of the metered Ccf or, if applicable, the corrected metered Ccf and a therm multiplier. This therm multiplier for meters registering in units of Ccf shall be determined by dividing the average heating value by 1000. The average heating value will be determined from the volume weighted average heating value for the period of deliveries.

E. Liability

Customer shall be and remain liable for any and all damages caused to the utility facilities or third parties as a result of Customer's failure to comply with the requirements of these tariffs or the proper use of Customer's equipment.

Nothing in any of these tariffs is intended to create any new or additional liability to the utility beyond that required by statute. It is the intent of the tariffs to limit the liability of the utility to the greatest extent allowed by law, and to maintain for the utility all applicable immunities and defenses allowed by law.

Utility shall have no liability for any damage, loss or injury caused in whole or part by Applicant's or Customer's active or passive negligent act or omission or reckless, wanton or intentional act.

All of Applicant's or Customer's duties under each of these tariffs involving safety, maintenance, repair or installation of facilities, including any duty to give notice to the utility of conditions of the facilities, shall also constitute a duty from the Applicant or Customer to all third parties with respect to those facilities, regardless of who owns or controls the facilities. Applicant's or Customer's failure to comply with these tariffs shall constitute a breach of duty to any injured or damaged third party, and Applicant or Customer shall be liable to any injured or damaged third party for any such injury or damages. If any portion of any of these tariffs is determined by a court

of competent jurisdiction to be illegal, it shall be severed from these tariffs and all other portions of these tariffs shall remain in full force and effect. Each and every section of these tariffs would have been adopted separately, even if any other section of the tariffs had not been adopted.

F. Indemnification

Customer or Applicant shall defend, indemnify and hold harmless utility against any claim, demand, loss or liability arising out of or related in any way to utility's equipment or facilities located on Customer's or Applicant's premises, to the fullest extent allowed by law. This duty to defend, indemnify and hold harmless shall arise even in the case of the active or passive or sole negligence of utility, or utility's reckless, wanton, malicious, fraudulent or intentional acts or omissions.

3. APPLICATION FOR SERVICE

A. Application

An application for service is required. Each Applicant for service may be required to sign an application on a form provided by the utility. The application forms may vary depending upon the type of service requested by the Applicant. Applicants desiring special rates and/or services may be required to complete additional forms and/or contracts in accordance with the utility's applicable tariffs. The application is a request for service and it does not bind the utility to serve except under its tariffs and under reasonable conditions. The application does not bind the Applicant to take service for a longer period than the minimum requirement of the utility's tariffs. These tariffs constitute the terms and conditions of the agreement between the utility and the Customer for service rendered, unless otherwise agreed to in writing.

Pursuant to the tariffs, the utility may at its sole discretion assess the Applicant's ability to pay its gas charges. Such assessment may include a credit check initiated by the utility at the Applicant's expense, contact of commercial references, or other measures, as discussed and agreed between the utilities and Applicant.

B. Information Required on Application

In addition to the information the utility may require from Applicant's in order to establish credit in accordance with Section 6.A. All Applicants shall provide such other information as the utility may reasonably require for service. This information includes, but is not limited to, the legal name of the Applicant(s), the name of the Applicant's spouse or other adults residing at the Premises, the service address, billing address, date service is wanted, whether gas service has previously been supplied to the Premises, whether Applicant is the owner, agent or tenant of the Premises, and the rate schedule desired (if optional schedules are available). Supporting documentation to establish proof of ownership or tenancy may be requested.

-In addition, the Applicant may be required to provide information necessary to the design, installation, maintenance and operation of the utility's facilities, including the proposed end use(s), the connected load, the number of residential dwelling units/spaces, the size or character of the appliance or apparatus to be installed, building plans, and other information required by the utility's applicable tariffs. The utility may also request credit information and authorization to run a credit check. Commercial and industrial accounts will be required to provide their North America Industrial Classification System (NAICS) Code(s).

C. Changes in Load or Operation

It is the Customer's responsibility to notify the utility in writing within 15 days if the Customer makes any change in the connected load, in the number of residential dwelling units/spaces, or in the size or character of the appliances or apparatus. Such change(s) may require a new application for service and/or a change in the utility's service facilities and may result in the Customer being transferred to a different tariff schedule and payment obligations for service upgrades.

D. Joint and Several Liability for Service/Beneficial Use

Where two or more Applicants join in one application or contract for utility service, they shall be jointly and severally liable under the terms of the application/contract and shall be billed by means of a single periodic bill mailed to the Customer designated to receive the bill. Whether or not the utility obtained a joint application or contract for residential service, where there is evidence that an adult(s) other than the Applicant resided at the Premises and benefited from utility service, the other adult(s) and the Applicant shall be jointly and severally liable for service rendered while such other adults resided at the Premises.

E. False or Inaccurate Information

The utility may refuse to provide service or may discontinue or disconnect service and/or may re-bill the account when:

1. The information provided to the utility on the application is false, incomplete, or inaccurate; or,
2. The Applicant has applied for service under a fictitious name or under the name of another to avoid payment of any utility bill or that the Applicant has requested service in his/her legal name to assist another in avoiding payment of any utility bill; or,
3. The Applicant and/or other adults residing with the Applicant have received the benefit of service without paying for it and are attempting to change the name on the account to avoid payment of any utility bill. In the event of a re-bill, the utility shall provide the Customer with the reason for such a re-bill.

4. CONTRACTS

Whether or not these tariffs require a written contract, the utility may require, in its sole discretion, a Customer to enter into a written contract as a condition to providing service. Contracts will be required when service is delivered under different rates, terms and conditions than set forth within the tariffs, in which event the Customer and utility shall acknowledge that the contract is in lieu of normal service.

5. SPECIAL INFORMATION AVAILABLE FOR CUSTOMERS

A. Tariffs Available

A copy of the Gas and Electric Tariffs are available at utility's office at 440 Walnut Avenue on Mare Island during normal work hours and can be viewed online at www.islandenergy.com.

B. Standards Available

The utility follows PG&E approved standards for all materials, design, construction, and services as documented in the PG&E's Greenbook

6. ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

Each Applicant for metered service is required to establish their credit to the satisfaction of the utility before service will be rendered.

A. Establishment of Credit

The Applicant's Credit will be deemed established:

1. If Applicant is the owner of record of and occupier of the Premises upon which the utility is requested to furnish service.
2. If the Applicant makes a cash deposit with the utility to secure the payment of any bills for service to be furnished by the utility under the application as provided in Section 7.
3. If the Applicant has previously been a Customer of the utility and has paid all bills for service within the period as set forth in Section 9 for a period of 12 consecutive months immediately prior to the date when the Applicant for service previously ceased to take service from the utility, provided such service occurred within two years from date of the new application for service.

B. Re-establishment of Credit

1. An Applicant who has been a gas Customer of the utility and whose service has been discontinued for failure to pay their gas bills within the period as set forth in Section 11 within the last 12 months of service may be required to re-establish their credit by making the regular cash deposit.
2. A Customer who fails to pay bills as provided in Section 9 may be required to pay said bills and re-establish credit by depositing, in cash, the amount provided for in Section 7. The requirement for the re-establishment of credit will apply regardless of whether or not service has been discontinued for such non-payment

3. Where the financial condition of a Customer has changed so that the Customer represents a potential credit risk; or where the utility has received information that a Customer has left another utility's service territory with a bill that was unpaid 90 days or more after the billing date, the Customer may be required, as a condition of continued service, to re-establish credit pursuant to this section.

7. DEPOSITS

A. Amount of Deposit

1. Establishment of Credit.

The amount of deposit required to establish credit may be established by the utility pursuant to an assessment of the Applicant's credit worthiness. For commercial accounts covering gas and/or electric service, a deposit is required, the amount of which shall normally be twice the Customer's maximum monthly bill, but may be no more than three times the Customer's monthly average bill, as estimated by the utility for a business of similar size and character. For residential accounts covering gas and/or electric service, a flat rate of \$200 deposit will apply. This amount is deemed to be no more than twice the average monthly bill of an Island Energy residential customer. The utility will have sole discretion in determining the deposit amount, provided that the utility will not exercise undue economic hardship on Applicants.

2. Re-establishment of Credit.

The amount of deposit required to re-establish credit shall normally be twice the maximum monthly bill, but may be as high as three times the Customer's maximum monthly bill, as determined by the utility and in conformance to the rules stated in this Section 7. In addition, the Customer will be required to pay all amounts in arrears, all late payment fees, and a re-connection fee of \$315.00, for residential and \$100.00 for commercial if service has been disconnected. These reconnection fees shall be \$75.00 for residential and \$250.00 for commercial if performed after hours. If service has been disconnected by any action other than the removal of a meter, the reconnection fee shall be \$250.00 instead of \$15.00. ~~These fees shall be doubled if requested by the Customer during times outside of normal work hours.~~

B. Return of Deposit

The amount on deposit will be applied to the Customer's bill during the first billing period after one (1) full year has elapsed, provided that the Customer has met the credit requirements of the utility. If the service is discontinued by request of the Customer while a deposit is held then the balance of any deposit remaining after the closing bill for service has been settled will be promptly returned to the Customer. Any overdue bill may be deducted from the deposit and the service may be discontinued until the deposit is restored to the original amount.

C. Interest on Deposits

If the utility requires a deposit and the deposit is placed into an investment account or into an interest bearing account the utility will pay interest on such deposits in an amount equal to the average rate of return over the last four full calendar quarters last preceding the return of the deposit less one (1%) percent if the deposit was placed into an investment account. If the deposit was placed into a simple interest bearing account, the interest to be paid will be the interest earned less one (1%) percent. In no event will utility be required to invest the deposit or place it into an interest bearing account. No interest will be paid if service is temporarily or permanently discontinued for nonpayment of bills.

8. NOTICES

A. Notices to Customers

1. Generally:

When notices from the utility to a Customer are required, they will be given in writing, either mailed, as defined in Section II, 1, to the Customer's mailing address, or delivered to Customer's service address, except that in emergencies the utility may give verbal notices in person or by telephone.

2. Termination of Service Notice:

a. Monthly bills for service are due and payable upon presentation and will be considered late if full payment is not received by the utility by the first day of the following month. If full payment is not received prior to the date of the next bill, a Termination of Service Notice for nonpayment of a delinquent account will be included on the next monthly bill setting forth the date for termination as the first day of the following month (see example in c. below). An additional notice will be sent to the service address when the occupants are renters and not responsible for the utility bill. Additional notice will include information on renter's legal rights should Utility not receive payment.

b. When no payment has been received by the utility prior to two days before the termination date set forth in subsection a. above a written final service termination notice shall be posted in a conspicuous place at the premises at least forty-eight (48) hours prior to termination of service.

c. Example of Timing for Termination of Service Notices. Utility bills for usage during the month of March will be mailed on April 9. A bill will be considered late if full payment is not received by May 1. If full payment is not prior to May 9, the date of the next bill, a Termination of Service notice will be included on that bill setting forth the date of termination as June 1. If full payment for the April 9 bill has not been received by May 29 (2 days prior to termination date), a final service termination notice shall be posted at the premises. If full payment for the April 9 bill is not received by noon on June 1, service will be terminated.

d. Prior to terminating service to Multiple Occupancy Residential Buildings and Mobile Home Parks, all procedures as required by law will be followed.

e. The Utility reserves the right to report any delinquency of payment to any appropriate credit reporting agencies and potential new utility providers.

B. Third Party Notification

For residential Customers who are 65 years of age or older, or who are "dependant adults" as defined in section 15610.23 of the Welfare and Institutions Code (generally one who has physical or mental limitations that restrict his or her ability to carry out normal activities or to protect his or her rights), a third party notification service, whereby the utility will attempt to notify a person designated by the Customer to receive notification when the Customers account is past due and subject to termination. The consent of the third party shall be required and the third shall not incur any liability for the account by virtue of the fact he or she consents to receive such third party notification.

C. Notices from Customers

Notices from a Customer to the utility may be given by written communication mailed to the utility's office, or physically delivered by the Customer, or the Customer's agent, at the utility's office, except when written notice is specifically required within these tariff's or in any written agreement.

Any Customer may initiate a complaint or request an investigation concerning service or charges by delivering a written complaint or request setting forth all of the facts necessary for utility to understand the nature of the complaint or request, including copies of any statements in issue.

9. RENDERING AND PAYMENT OF BILLS

A. Rendering of Bills

1. Bills for service will be rendered either once a month, or as otherwise required for opening and closing bills, or as provided under applicable tariff. When a monthly billing period is less than 27 days or more than 33 days the bill will be prorated.
2. Meters for Customers who receive metered service will be read as nearly as practical at regular intervals.
3. For billing purposes, each meter upon the Customer's premises will be considered separately and readings of two or more meters will not be combined except as follows:
 - a. Where combinations of meter readings are specifically provided for in rate schedules;
 - b. Where the maintenance of adequate service and/or where the utility's operating convenience require the installation of two or more meters upon the Customer's premises; or,
 - c. Customers are paying all of the cost of the wires between the meters.

B. Basis of Usage Used in Billings

All Customers who receive metered service will be billed on a monthly basis. When meters are read at regular intervals, each bill will be based on meter registrations, except as provided for herein. Estimated consumption may be used as the basis for billings, except for the month ending with the actual meter read. The actual meter registrations shall be used, less the estimated consumption used to calculate the previously estimated bills.

If the utility is unable to read the Customer's meter on the scheduled reading date, the utility may bill the Customer for estimated consumption during the billing period, and make any necessary corrections when a reading is obtained. Estimated consumption for this purpose will be calculated considering the Customer's prior usage, the utility's experience with other Customers of the same class in that area, and the general characteristics of the Customer's operations. Adjustments for any underestimate or overestimate of a Customer's consumption will be reflected on the first regularly scheduled bill rendered and based on actual reading following the period of estimation.

C. Customer Requested Meter Re-reads

When a Customer requests that the utility re-read the same meter, after a meter reading has taken place on the normal reading date, the utility will charge the Customer \$15.00. The \$15.00

charge will be returned to the Customer if upon re-reading the meter is found that the meter was read inaccurately such that the Customer was over-billed.

D. Form of Bill Transfer

At the mutual option of the Customers and utility, bills may be transferred to Customers electronically. Customers requesting this service may be required to complete additional forms and agreements. Either party may discontinue electronic transfers with a 30 day written notice.

E. Payment of Bills

Bills for service are due and payable upon presentation. Payment shall be delivered to the office of the utility by post or phone, by electronic funds transfer or delivered to an authorized personnel of the utility. Bills rendered where the Customer's service is being removed, where the Customer is vacating the premises, or where the Customer is discontinuing the service shall be paid on presentation.

1. Late Payment Fee for Residential and Commercial Accounts

For residential and commercial accounts, unpaid balances on bills not received within twenty (20) days after being mailed to the Customer shall be subject to late payment fee of \$15 or 3 percent (3%) of the unpaid balance of the original bill, whichever is more.

2. Late Payment Fee for Municipal Accounts

For municipal accounts, unpaid balances on bills not postmarked or received within twenty-five(25) days after being mailed to the customer may be subject to a one and one-half percent (1 ½%) late payment fee or penalty.

3. Late Payment Fee for State Agencies

Where an account serves a state agency and payment is not received within 50 calendar days after the date of mailing of a bill, the late payment charge applicable to that account will be at a rate of one (1%) percent above the rate accrued on June 30th of the prior year by the Pooled Money Investment Account (PMIA), but not to exceed 15 percent, all as set forth in Government Code Section 926.17(b)(1). Such rate may be applied to and accrue on a state agency account only after 50 days from the date the bill was mailed.

The State of California shall be responsible for notification to the utility as to which accounts serve state agencies. The provision of the above paragraph shall apply only after such notification.

4. Late Payment for Large Government Contractors

Where a customer derives majority of his/hers revenue from contracts with agencies of the United States of America government and its average monthly utility bills, summed across all of its utility accounts with Island Energy, in excess of \$25,000 may apply to the utility for designation as a large government contractor. Island Energy reserves the right to perform a full credit check prior to designating a customer as a large government contractor. For accounts held by large government contractors, unpaid balances on bills not received with fifty (50) days after being mailed to the Customer shall be subject to a late payment fee of three percent (3%) of the unpaid balance of the original bill and shall be subject to the Discontinuation of Service provisions in the utility's tariff.

5. Returned Checks

Bills paid by a check that is dishonored, shall be subject to \$25 returned check charge. This charge will be added to the Customer's bill for each occurrence.

6. Additional Service Charge

The utility may require the payment of an additional collection charge if the utility sends an authorized representative to the Customer's premises to: (1) effect collection of, or (2) discontinue service for non-payment on a past due account. The collection charge shall be twenty-five (\$25) per visit to the premises.

7. Waiving of Minimum Bills

In case the Customer is unable to use the utility's service by reason of strikes, accidents, fires, bankruptcy or any cause beyond the Customer's control, the payment of the minimum charge may be waived by the utility during the time the Customer is unable to use such service.

10. DISPUTES

A. Disputed Bill

When a Customer disputes or questions their bill, they should first request an explanation from the utility. If the Customer thereafter believes they have been billed incorrectly they will be required to, bring or send the bill and a statement supporting their belief that their bill is not correct to:

Island Energy
440 Walnut Avenue
Mare Island, CA 94592-0001

To avoid having service turned off during the dispute, the Customer must enclose payment for the full amount of the bill made out to Island Energy. If the Customer is unable to pay the amount in dispute, they must inform the utility verbally or in writing of their inability to pay. Utility service will remain on until the utility completes its review of the Customer's bill. The utility will review the basis of the amount billed and communicate the results of its review to the Customer within 10 working days of receipt of the Customer's statement of dispute.

If it is found that the Customer's bill was not overstated by more than 2%, the Customer's payment will be disbursed accordingly, and the Customer will be assessed for a Twenty Five Dollar (\$25) disputed bill charge during the next billing period.

If it was found that the Customer's bill was overstated by more than 2%, the utility will bear the cost of the investigation, and the Customer's overpayment will be promptly refunded or credited to the next month's bill, per the Customer's choice.

B. Termination when Bill Disputed

A Customer who does not pay the full amount due, even when subject to dispute, shall be subject to the same termination for non-payment terms and conditions as any other Customer not disputing the bill.

11. DISCONTINUANCE OF SERVICE

A. Customer's Request for Service Discontinuance

When a Customer desires to terminate their service, they shall give the utility notice in writing two business days before the desired termination date. ~~—~~ A Customer may be held responsible for all service furnished at the premises until two days after receipt of such notice by the utility, or until the date of termination specified in the notice, whichever date is later.

When a Customer desires to terminate their responsibility for service during a calendar month, the gas rate applied to that month's consumption is not available on the closing date due to the changing gas commodity prices. Any mid-month closing accounts will be closed at previous month's gas rate.

Utility will maintain uninterrupted service whenever an outgoing customer ends service before a new customer's requested start date. Service shall remain energized unless safety or legal requirements require disconnection. When a tenant requests to end service and no new tenant or property owner has requested service for the same date, the account automatically enters Revert-to-Owner (RTO) status. The property owner will be responsible for all usage and charges during the RTO period until a new customer establishes service. In RTO transitions, responsibility defaults to the property owner.

When a property changes ownership and the Seller's stop-service date occurs before the Buyer's requested start date, the Utility may request the Seller and/or Buyer to provide documentation that confirms the property transfer date. The Utility may select either date provided to initiate the service transfer if proper documentation is not provided by the Buyer or Seller. For tenancy changes, the Utility may request documentation, such as a signed lease agreement, from the property owner and/or tenant to process new service requests. New tenants should submit a New Service Request with a start date that matches their lease agreement. The Utility is not responsible for bill disputes between tenants, owners, sellers, or buyers.

In the event that a Customer terminates service under any rate schedule and re-initiates service under the same, or any other, rate schedule at the same location within 12 months, there will be a reconnection charge equal to the minimum charge which would have been billed had the Customer not terminated service.

B. Non-Payment of Bills

A discontinuance of service notice for nonpayment of a delinquent account will be mailed at least fifteen (15) calendar days prior to termination of service. At least twenty four (24) hours prior to termination of service, notification by telephone shall be given or at least forty eight (48) hours prior to termination of services a written notice of termination shall be posted in a conspicuous place at the premises.

A Customer's service may be discontinued for non-payment of a bill for service provided at any previous location served by the utility if that bill is not paid in accordance with these tariffs. If a Customer is receiving more than one service, any or all services may be discontinued when any service, regardless of location, is discontinued for non-payment.

The utility will not terminate service to a Customer on any Saturday, Sunday, legal holiday, or at any time during which the business offices of the utility are not accessible to the public. Service wrongfully terminated shall be restored without charge for the restoration of service, and a notification thereof shall be mailed to the Customer at the billing address.

Customers with past-due balances may, at the Utility's discretion, be offered a payment plan arrangement. To participate, the customer must sign the payment plan agreement. Each month, the customer's total amount due will include all current charges plus an installment amount representing an equal division of the past-due balance over the agreed repayment period. The customer must remain current on both the installment and all new charges. Failure to comply will result in termination of the payment plan, after which the customer shall be ineligible to enter into another payment plan for a minimum of twelve (12) months and may be subject to service disconnection pursuant to this tariff.

Any customer account carrying a past-due balance of ninety (90) days or more and not enrolled in an active payment plan arrangement is subject to service disconnection and may be referred to collections at the Utility's discretion. Alternative payment arrangements may be considered on a case-by-case basis and are granted solely at the Utility's discretion. The Utility will issue required notices prior to any disconnection or referral to collections in accordance with applicable regulations.

C. Unsafe Equipment

1. The utility may deny or discontinue service to a Customer when:

- a. The utility determines, using commonly accepted Industry Standards including, but not limited to, those published by the National Fire Protection Association (NFPA), Uniform Building Code (UBC), and the American National Standards Institute (ANSI), that the Premises' piping, appliances, or other equipment or the use of either, is unsafe, or;
- b. Any governmental agency, authorized to enforce laws, ordinances, or regulations involving gas facilities and/or the use of gas, notifies the utility in writing that the Customer's gas facilities and/or use of gas is unsafe or not in compliance with such laws, ordinance, or regulations.

2. Communications on Unsafe Equipment

At the time of denial or discontinuance of service as stated in Section 11.C the utility will;

- a. Post a written notice, stating the reason for denial or discontinuance and referring to this Section, at a conspicuous place at the premises, or
- b. Personally deliver the written notice to the occupant of the Premises, and
- c. Within 24 hours of service termination or denial of service, send a copy of the written notice to the Customer in the mail to the billing address.

3. Restoration of Service

The utility will not connect or restore service until:

- a. The utility determines the Customer's gas facilities, appliances or other gas equipment, or the use of either, has been made safe, or
- b. The utility has received written notice from the appropriate governmental agency that the Premises meet applicable laws, ordinances or regulations. It is the Customer's responsibility to resolve the matter with the governmental agency.

4. Responsibility for Inspection

The utility does not assume any responsibility of inspecting or repairing the Customer's gas facilities, appliances or other gas equipment or any part thereof and assumes no liability therefore.

D. Unauthorized Use

The utility may discontinue service if the acts of the Customer or the conditions upon his/her Premises indicate intent to deny the utility full compensation for services rendered, including, but

not limited to, tampering or unauthorized use. Discontinuance of service for nonpayment of bill for unauthorized use shall be in accordance with the provisions of these tariffs for service.

E. Fraud

The utility may refuse or discontinue service if the acts of the Customer or condition on his/her Premises indicate intent to defraud the utility.

F. Non-Compliance with the Utility's Tariffs

Utility may discontinue service to a Customer in the event that Customer fails to comply with any provision of its tariffs relating to payment (except where a dispute as to the correctness of the bill has been raised and is pending as set forth in Section 10.A) or the safety of the Customer's equipment, if, after written notice delivered to the Customer's billing address of premises, the Customer fails to comply with the notice within seven (7) days. This notice may be waived when, in the opinion of the utility, either a dangerous condition has been discovered or a bona fide emergency is found to exist on a Customer's Premises, or in the case of a Customer utilizing the service in such a manner as to make it dangerous for occupants of the Premises, thus rendering the immediate discontinuance of service to the Premises imperative.

G. Usage of Service Detrimental to Other Customers

The utility will not provide service to gas equipment, the operation of which will be detrimental to other gas service, using commonly accepted Industry Standards including, but not limited to the Uniform Building Code (UBC), American National Standards Institute (ANSI), and those published by the National Fire Protection Association (NFPA), and will discontinue gas service to any Customer who continues to operate such equipment after being notified by the utility to discontinue operation.

12. RATES

The rates to be charged by the utility for gas service will be the rates in effect and on file in the utility's office(s) and online at www.islandenergy.com.

13. TEMPORARY SERVICE

The utility shall, if it will not result in undue hardship to its existing Customers, such as limited system capacity or excessive pressure drop, furnish Temporary Service under the following conditions:

1. The Applicant shall pay, in advance or otherwise as required by the utility, the full estimated cost installed, plus the estimated cost of removal, less the estimated salvage of the facilities necessary for furnishing service.
2. The Applicant shall establish credit as required by Section 6.A, except that the amount of deposit prescribed by Section 7.A shall not exceed the estimated bill for the duration of service.

14. SHORTAGE OF GAS SUPPLY AND INTERRUPTION OF DELIVERY

A. Shortage and Interruption

The utility will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of gas to the Customer, and to avoid any shortage or interruption of delivery of same. The utility will not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby, if same is caused by Inevitable Accident, Acts of God, fire, strikes, riots, war or any other cause not within its control. It shall be deemed to be beyond the

control of the utility where the interruption is due to an unanticipated failure of any part of the utility's systems.

B. Temporary Suspension for Repairs

The utility, whenever it shall find it necessary for the purpose of making repairs or improvements to its system, will have the right to suspend temporarily the delivery of gas. In all such cases, reasonable notice as circumstances will permit will be given to the Customer by telephone, communications mailed to the Customer, or publication in a local paper, and the making of such repairs or improvements will be prosecuted as rapidly as may be practicable, and, if practicable, at such times as will cause the least inconvenience to the Customers. In the event of a planned suspension of service for repairs or improvements where the utility has complied with the notice provisions of this Section or the Customer otherwise receives actual notice, utility shall not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby.

C. Apportionment of Supply during Time of Shortage

Should a shortage of supply ever occur, the utility will apportion its available supply of gas among its Customers in the manner that appears to the utility to be most equitable under conditions then prevailing.

D. Curtailment Priorities

The utility may find it necessary to establish curtailment priorities in order to meet a curtailment of gas service to comport with supplier(s) or transporter(s) curtailment requirements. If this becomes necessary the utility shall do so in a timely manner in order to remain in compliance with all provisions involved with the purchase of gas for the service territory.

E. Liability of Utility

The utility shall not, by taking action pursuant to any portion of Section 14 or any other provision of these tariffs, be liable for any loss, damage, or injury, established or alleged, which may result or be claimed to result there from. In no event shall the utility be responsible for consequential, indirect, special, incidental, punitive or exemplary damages, or damage or loss caused by reason of loss of use, loss of profits or revenues, or cost of capital.

15. DISTRIBUTION LINE EXTENSIONS OR RELOCATIONS

This Section is applicable to changes to gas distribution lines of the utility's standard voltages necessary to furnish permanent gas service to Applicants.

A. Standards

The utility follows PG&E standards for primary and secondary distribution lines. The Applicant should use the PG&E Greenbook to plan, design, and engineer gas distribution line projects.

B. Ownership

The facilities installed under the provisions of this Section up to the Customer Service Point, shall be owned, operated, and maintained by the utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. Point of Connection

The utility shall determine the point on the utility's system from which any extension will be made.

D. Private Lines

The utility may, at its sole discretion, serve an Applicant from connection facilities that are not owned, operated, and maintained by the utility.

E. Right of Way

Where new installations of, or changes to, gas distribution lines or facilities result in the need to locate such new facilities outside of utility's existing easements, Applicant shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication of a PUE as part of a subdivision or other map, for the purpose of conveying to the utility an adequate easement for the maintenance, repair and replacement of the new or relocated facilities. If service facilities must cross property owned by a third party to serve Applicant, it is Applicant's responsibility to obtain and transfer to utility appropriate rights-of-way or easements, satisfactory to the utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the utility.

F. Route of Line

The length and route of a distribution line project will be determined or approved by the utility based on the distance along the shortest most practical, available and acceptable route which is clear of obstructions from the utility's nearest permanent and available distribution facility.

G. Applications and Contracts; Exceptions

1. Each Applicant for a distribution line shall be required to submit to utility for its consideration and approval an application defining the project along with a deposit in the sum of Five Thousand Dollars (\$5,000), after which the Applicant shall execute a Working Contract prior to the utility approving and participating in the project. \$1,400 of the deposit will be used for project administrative support and is non-refundable. The remaining \$3,600 of the deposit will be returned to Applicant after all invoices issued by utility for the project are paid in full and Applicant's responsibilities under the Working Contract or other agreement with utility are fulfilled. The utility reserves the right to apply the non-refundable portion of the deposit towards unpaid project related invoices.
2. In the event a project for a distribution line has an estimated overall cost of \$20,000 or less, a Working Contract may not be required provided 1) the Applicant signs a short form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, 2) the utility is to conduct all of the work necessary for completion of the project, including the design and installation of all new facilities, and 3) no transfer of title to facilities or easements is required.
3. Applicant and utility may agree that utility shall conduct all of the work necessary for completion of the project, including the design and installation of all new facilities.
4. If the utility is to conduct all of the work as set forth under Section 15(G)(2), Applicant shall remain responsible for all costs and expenses incurred by utility. Further, Sections 15(H)(2) through (9) shall not apply.

H. Applicant Responsibilities for New Distribution Facilities

Applicant is responsible for providing or installing the following items at Applicant's expense by Qualified Personnel, as defined herein, prior to the utility finalizing a distribution line, accepting dedication of the facilities, and connecting them to the utility's facilities:

1. All necessary information to the utility in order for the utility to design the new, relocated or expanded facilities, including but not limited to: improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any of these items that require approval of the City of Vallejo shall be so approved before any construction begins. Where utility agrees to allow Applicant to design the facilities, Applicant shall provide sufficient information to allow utility to review and approve the design submitted by Applicant.
2. Coordination in joint trench planning and engineering with Qualified Personnel in conformance with utility standards.
3. All necessary trenching, back-filling, and other digging as required, subject to utility inspection.
4. All substructures and conduits, subject to utility inspection.
5. All poles and superstructures, subject to utility inspection.
6. All pipes, valves, regulators, and other gas equipment, all of which is to be completed by qualified personnel, and performed to the utility's standards, and are to be subject to utility inspection. The Applicant shall prepare the gas connection to the utility's facilities, but, will not make the final connection to the utilities facilities.
7. All protective structures set forth in the utility's standards, subject to utility inspection.
8. All manufacturers' warranties commensurate with the utility's standards, including a one year warranty on all workmanship and normal operations on newly installed facilities.
9. Qualified Personnel shall mean personnel who:
 - a. Are technically competent to perform the work;
 - b. Have access to, and utilize the proper equipment to perform the work;
 - c. Have demonstrated financial responsibility commensurate with the scope of the work to be performed;
 - d. Have adequate insurance coverage, such as workers compensation, liability and property damage;
 - e. Furnish a surety bond for performance of the work if required;
 - f. Are licensed in California for the work being performed;
 - g. Are properly qualified for specific skill required including, but not limited to, the State of California High Voltage Safety Orders (Title 8, Chapter 4, Subchapter 5, Group 2); and
 - h. Comply with applicable laws including, but not limited to, Equal Opportunity Regulations, OSHA, and EPA.

I. Utility Responsibilities for New Distribution Facilities

The utility will, at Applicant's expense:

1. Specify the point, or points, on the utility system from which Applicant will extend distribution lines.
2. Design the distribution facilities such that they conform to the standards of the utility as well as all applicable federal, state and local codes and ordinances for utility installations (such as, but not limited to the California Business and Professions Code). Where utility agrees to allow Applicant to design the facilities, utility shall review and approve the design submitted by Applicant.
3. Inspect facilities installed by Applicant.
4. Connect conductors to the utility's facilities.
5. Make any necessary arrangements of the utility's facilities to accommodate connection of Applicant's facilities.
6. Perform final testing prior to acceptance of the facilities.
7. Invoice Applicant on a monthly basis for all appropriate utility costs incurred, as defined herein, as the project is worked on and completed, with a final invoice upon completion. If project is expected to be or a duration of 60 days or less, Utility may choose to bill Applicant for all costs with a single final invoice upon completion.

J. Dedication of Facilities

Upon acceptable testing and acceptance by utility of the facilities for use in distribution of gas, ownership of all such facilities shall be transferred to the utility by a bill of sale.

K. Development Refund for New Residential Subdivisions

In the event a Qualified Developer (as defined under Section 22.D) engages in any residential redevelopment in residential areas identified in the Mare Island Re-use Plan, as amended from time to time, the utility will provide refunds to cover a portion of the development costs for newly connected residential load, on a per unit basis. The amount of the refund shall be strictly limited to \$83 per single-family unit; \$60 per multifamily unit of no more than eight units per building; and \$45 per unit for multifamily units of greater than eight units per building. Refunds will be specified in the contracts defining the connection project and will include all monies the Applicant will receive from the utility associated with the project. This one-time refund shall become applicable after 90 days of occupancy of each unit and payable within 45 days of receipt of notice from such Developer and the transfer of facilities and easements in accordance with the Working Contract. The fund from which the refunds are drawn from shall be identified as the "Residential Reimbursement Fund". The Residential Reimbursement Fund was funded through the collection of two percent (2%) of the Gross Annual Receipts for the gas services provided by utility. The Residential Reimbursement Fund had a maximum balance of One Hundred Thousand Dollars (\$100,000). Once the balance in the Residential Reimbursement Fund reaches the maximum level the collection at the rate set forth herein was suspended until the fund level dropped below One Hundred Thousand Dollars (\$100,000). Any obligation to contribute to under this provision was terminated on June 30, 2013. On June 30, 2013 the fund balance was at its maximum level of \$100,000. The Utility will continue to pay refunds for development costs for newly connected residential loads from the Fund until the fund is depleted at which time any obligations of the Utility under this section shall cease. If a refund is sought and payable under

this Section 15 L for any given project, no other refund or reimbursement can be applied for under these tariffs.

L. Utility Expense; Contract Labor and Overhead

All costs and expenses incurred by the utility under this Section 15 shall be fully reimbursed to the utility by Applicant as such charges are incurred and billed for by the utility. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

16. SERVICE CONNECTIONS

This Section is applicable to the connection of new Customers to the utility's distribution system at standard utility pressures necessary to furnish gas service to Applicant.

A. Standards

The utility follows PG&E standards for primary and secondary distribution lines. The Applicant should use the PG&E Greenbook to plan, design, and engineer gas distribution line projects.

B. Ownership

The facilities installed under the provisions of this Section up to the Customer Service Point, shall be owned, operated, and maintained by the utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. Private Lines

The utility may, at its sole discretion and under certain terms and conditions, serve an Applicant from connection facilities that are not owned, operated, and maintained by the utility.

D. Right of Way

Where new installations of, or changes to, gas distribution lines or facilities result in the need to locate such new facilities outside of utility's existing easements, Applicant shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication to of a PUE as part of a subdivision or other map, for the purpose of conveying to the utility an adequate easement for the maintenance, repair and replacement of the new or relocated facilities. If service facilities must cross property owned by a third party to serve Applicant, it is Applicant's responsibility to obtain and transfer to utility appropriate rights-of-way or easements, satisfactory to the utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the utility.

E. Temporary Service

Facilities for temporary service shall be installed in accordance with this Section 16. The Applicant shall be responsible for all costs related to the design, installation and removal of requested facilities.

F. Applications and Contracts; Exceptions

1. Each Applicant for a Customer connection shall be required to submit to utility for its consideration and approval an application defining the project along with a deposit in the sum of Five Thousand Dollars (\$5,000), after which The Applicant shall execute a Working Contract prior to the utility approving and participating in the project. \$1,400 of the deposit will be used for project administrative support and is non-refundable. The remaining \$3,600 of the deposit will be returned to Applicant after all invoices issued by

utility for the project are paid in full and Applicant's responsibilities under the Working Contract or other agreement with utility are fulfilled. The application fee shall apply to the project, which may include both gas and electric components. The utility reserves the right to apply the non-refundable portion of the deposit towards unpaid project related invoices.

2. In the event a project for a Customer connection has an estimated overall cost of \$10,000 or less, a Working Contract may not be required provided a) the Applicant signs a short form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, b) the utility is to conduct all of the work necessary for completion of the project, including the design and installation of all new facilities, and c) no transfer of title to facilities or easements is required.

3. Applicant and utility may agree that utility shall conduct all of the work necessary for completion of the project, including the design and installation of all new facilities.

4. If the utility is to conduct all of the work as set forth under Section 16(F)(2) or (3), Applicant shall remain responsible for all costs and expenses incurred by utility. Further, Sections 16(I)(2) through (9) shall not apply.

G. Obligation of Customer to Provide Access

1. The Applicant shall be responsible for providing the utility with ready access to the premises.

2. The utility shall at all times have the right to enter and leave Applicant's premises for any purpose connected with the furnishing of gas service. The purposes include, but are not limited to, meter reading, inspection, testing, routine repairs, replacement, maintenance, emergency work, and the exercise of any and all rights secured to it by law, or under the utility's tariffs.

3. If the utility determines that its access to premises is impaired then the Applicant or Customer will at their expense either correct the access or clearance infractions or pay the utility its costs to relocate the facility to a new location which is acceptable to the utility. Applicant or Customer will be responsible for the expense of such relocation along with any expense that is incurred in relocating non-utility facilities. Failure to comply with corrective measure within 30 days of notification by the utility can result in discontinuance of service.

H. Connections to Utility Equipment

Only personnel authorized by the utility are allowed to connect or disconnect service conductors to or from the utility's facilities, remove meters, remove the utility owned facilities, or perform any work upon the utility owned facilities. Failure to abide by this provision may result in discontinuance of service, and may result in additional legal actions taken by the utility.

I. Applicant Responsibilities for Service Installation

Applicant is responsible for providing and installing the following items at Applicants expense by Qualified Personnel (as defined in Section 15.H.9 hereinabove), conforming to the utility's standards, prior to the utility connecting the Customer to the utility's facilities:

1. All necessary information to the utility in order for the utility to design the new, relocated or expanded facilities. Such information may include but is not limited to: improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any of these items that require approval of the City of Vallejo shall be so approved before any construction begins. Where utility agrees to allow Applicant to design the facilities, Applicant shall provide sufficient information to allow utility to review and approve the design submitted by Applicant.
2. Coordination in joint trench planning and engineering with Qualified Personnel in conformance with utility standards.
3. All necessary trenching, back-filling, and other digging as required, subject to utility inspection.
4. All substructures and conduits, subject to utility inspection.
5. All poles and superstructures, subject to utility inspection.
6. All pipes, valves, regulators, and other gas equipment required to complete the connection of the Applicant's facilities to the utility's distribution system, subject to utility inspection. The Applicant shall prepare the gas connection to the utility's facilities but will not make the final connection to the utility's facilities.
7. All protective structures set forth in the utility's standards, subject to utility inspection.
8. All manufacturers' warranties commensurate with the utility's standards, including a one year warranty on all workmanship and normal operations on newly installed facilities.
9. Provide the utility with evidence that all required local government inspections have been satisfactorily cleared before requesting connection.

J. Utility Responsibilities for Service Installation

The utility will at Applicant's expense:

1. Determine the point on the utility's system at which the connection will be made.
2. Design the distribution facilities such that they conform to the standards of the utility as well as all applicable federal, state and local codes and ordinances for utility installations (such as, but not limited to the California Business and Professions Code). Where utility agrees to allow Applicant to design the facilities, utility shall review and approve the design submitted by Applicant.
3. Inspect facilities installed by Applicant.
4. Connect conductors to the utility's facilities.
5. Make all necessary arrangements for the utility's facilities to accommodate connection of Applicant's facilities.

6. Invoice Applicant on a monthly basis for all utility costs incurred as the project is worked on and completed. All invoices shall include a detailed breakdown for the costs incurred.

K. Dedication of Facilities

Upon acceptable testing and acceptance by the utility of the facilities for use in distribution of gas, ownership of all such facilities shall be transferred to the utility.

L. Metering Facilities

1. General

- a. The Applicant is responsible for the installation of a meter base that meets the utility's standards and that will accommodate a utility meter(s) unless the service connection was installed by the utility.
- b. The utility will meter the delivery of all natural gas, unless otherwise provided for in the utility's tariffs.
- c. All utility meters and associated metering equipment shall be located at some protected location on the Applicant's premises as approved by the utility.
- d. The load served at each meter location will be clearly designated by the Customer. Load served behind one meter may not be transferred to be served by another meter unless the Customer received prior utility approval.

2. Number of Meters

A single meter is required for each single enterprise operating in one building or group of buildings or other development on a single premises such as, but not limited to, a commercial business, school campus, industrial manufacturer, residence, or recreational vehicle or mobile home park, unless otherwise approved by the utility.

The utility will normally install only one meter for each premises except:

- a. When otherwise required or allowed under the utility's rate schedules,
- b. When determined by the utility, for its operating convenience to be consistent with its engineering design,
- c. When required by law or local ordinance; or,
- d. When additional services are granted by the utility.

Master metering may be approved if, in the opinion of the utility, master metering is in the best interest of the parties involved. However, if the master meter Customer submeters and furnishes gas to individual tenants, the rates and charges to the tenant must not exceed those charges that would apply if the tenant were purchasing gas directly from the utility.

3. Multiple Occupancy

In a building with two or more tenants, or where the utility furnishes more than one meter on the same premises, the utility's meters shall normally be grouped at one central

location or as otherwise specified by the utility. In such cases each meter position or socket shall be clearly and permanently marked by the Applicant, Customer, or owner of the premises to indicate the particular unit, occupancy, or load supplied by it.

M. Required Connection Equipment

The Applicant, or Customer, shall, at their sole liability, risk and expense, be responsible to furnish, install, own, maintain, inspect, and keep in good and safe condition, all facilities of any kind or character on Applicant's or Customer's premises that are not the responsibility of the utility but are required for the Applicant or Customer to receive service. Such equipment shall include but not be limited to termination equipment, valves, pipes and all equipment within all buildings, connectors, meter bases and sockets, meter and instrument housing, service valves, machinery and apparatus of any kind or character.

N. Liability

The utility shall incur no liability for damage, loss or injury occasioned by:

1. Applicant or Customer owned equipment in support of Applicant's or Owner's transmission and delivery of energy, or;
2. The active or passive negligence, omission of proper protective devices, want of proper care, or wrongful act of Applicant or Customer or any of Applicant's or Customer's agents, employees or licensees in installing, maintaining, using, operating or interfering with the utility's equipment.

O. Facility Tampering

The Applicant or Customer shall provide a suitable means acceptable to the utility for placing the utility's seals on meter rings and covers of service enclosures and instrument enclosures that protect unmetered and pressurized pipes. Only utility authorized employees shall be authorized to break such seals once installed. However, in an emergency the utility may allow a public authority or other appropriate party to break the seal. Any unauthorized tampering with utility seals or connection of Applicant or Customer owned facilities to unmetered pipes is prohibited and is subject to discontinuance of service and other appropriate actions.

P. Building Code Requirements

Any service equipment and other related equipment owned by the Applicant or Customer as well as any vault, room, enclosure, or lifting facilities for the installation of the utility equipment, shall conform to applicable laws, codes, and ordinance of all governmental authorities having jurisdiction.

Q. Reasonable Care

Applicant or Customer shall exercise reasonable care to prevent the utility's natural gas equipment and related facilities that are located on the Applicant's or Customer's premises from causing or suffering damage, destruction or interference, and will inform the utility of any such potential or actual damage, destruction or interference immediately. Applicant or Customer may be required to install protective devices, including a mechanical protection (barrier posts, etc.), suitable to the utility if the utility deems it appropriate. Applicant or Customer must also install any protective devices necessary to protect itself and third parties from suffering injury or damage from, or causing damage to, the utility's electrical equipment and related facilities. However, utility reserves the right to require modification or removal of such protective devices if such protective devices interfere with utility's provision of services or control of utility's facilities.

R. Government Inspection

The utility will only establish service to the Applicant or Customer following notice from the governmental authority having jurisdiction that the facilities have been installed and inspected in accordance with any applicable laws, codes, ordinances, rules or regulations, and are safe to pressurize.

S. Damaged Facilities

When others damage the utility's facilities, the repair will be made by the utility at the expense of the party responsible for the damage. Applicants and Customers are responsible for repairing their own facilities.

T. Relocations and Rearrangements

The Customer shall be responsible for the costs incurred by the utility for any relocation or rearrangement of utility equipment that is the result of any work conducted, or caused to be conducted within the utility's service territory. Any change to the utility's system required under this section will be subject to the application and construction process described in Section 15 as applicable.

U. Enlargements

The Customer shall be responsible for the costs incurred by the utility to meet any load increase at the Customer's facilities, plus any repair of any damage done due to the Customer overloading the utility's equipment.

V. Utility Expense; Contract Labor and Overhead

All costs and expenses incurred by the utility under this Section 15 shall be fully reimbursed to the utility by Applicant as such charges are incurred and billed for by the utility. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

17. NON-STANDARD AND SPECIAL FACILITIES

A. General

Special Facilities are considered to be existing, enlarged or new facilities installed, used and/or maintained by the utility at the Applicant's request in addition to, as enlargements of, as alternate to, or in substitution for, the standard facilities which the utility would normally install, maintain or use and which represent additional costs to the utility over normally installed facilities. These facilities can include, but are not limited to, Customer connection costs, installation and/or maintenance of facilities downstream of the meter, and facilities where the cost is in excess of the standard connection costs. Except where provided by rate schedule, installation and/or maintenance of special facilities will be made at the utility's option, provided the type of special facilities requested is acceptable to the utility and the utility agrees to the installation and/or maintenance of the special facilities, under the conditions set forth in this Section.

B. Customer Status

A Temporary Service Customer will not be eligible to apply for Special Facilities.

C. Utility Limitations

The utility shall install/maintain the requested facilities so long as the facilities do not pose, in the opinion of the utility, a hardship on the utility.

D. Basis of Cost

The Applicant will execute a contract covering the installation and/or maintenance of special facilities. In addition to providing for the payment of charges as determined under a rate schedule, the contract will provide for the following:

1. An estimate of the cost of the special facility that the Applicant is requesting the utility to install and/or maintain; and,
2. The one-time payment amount equal to the portion of the total estimated cost of the facility multiplied by a factor of 1.75. This payment shall not be refundable should Customer's use of the special facilities not last as long as initially projected for any reason.

E. Payment Schedule

At the mutual agreement of the utility and the Customer a contract may be entered into that will provide for extended payments of the amount calculated in 17.D.

F. Contract Responsibilities

If the utility is required to alter or rearrange the special facilities Applicant shall be notified of such necessity and shall be responsible for all costs the utility incurs in converting this service or shall terminate service under this agreement.

G. Ownership of Equipment

At all times, Special Facilities shall remain the property of the utility.

H. Termination Provisions

The Applicant may terminate a Special Facility contract on 30-day notice unless otherwise specified within a mutually agreed to contract between the Customer and the utility.

18. METER TESTS AND ADJUSTMENTS OF BILLS**A. General**

When regular, accurate meter readings are not available or the gas usage has not been accurately measured, the utility may estimate the Customer's gas usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use and the general characteristics of the Customer's load and operation.

B. Meter Tests

Any Customer may, upon not less than 15 working days notice, require the utility to test the accuracy of any meter through which service is provided to the Customer. When a Customer requests a meter test within 24 months of the completion of a meter test finding that the meter is operating accurately and where the results of the prior test were provided to the Customer, the Customer shall pay the utility \$50.00, escalated by CPI from January 1997, in advance for the meter test.

The amount so charged will be returned to the Customer if the meter is found, upon test, to register more than 2% fast, or slow, under conditions of normal operation.

The Customer shall have the right to require the utility to conduct the test on the meter serving that Customer in the Customer's presence, or in the presence of an expert or other representative appointed by the Customer at the time of the request for a meter test.

All meters will be tested at the time of their installation and no meter will be placed in service or allowed to remain in service that has an error in registration in excess of 2% under conditions of normal operation.

C. Adjustment of Bills for Meter Error

A meter error is incorrect gas registration resulting from a malfunctioning or defective meter or pressure correction device. It does not include billing error, unauthorized use, or an error in registration caused by meter tampering by an unauthorized person. It also does not include conditions such as incorrect meter readings, meter dial-overs, or switched meters. Where meter error is discovered as the result of a meter test, the utility may render an adjusted bill to the Customer for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, computed back to the date that the utility determines the meter error commenced, except that the period of adjustment shall not exceed one year. Such adjusted bill shall be computed in accordance with the following:

1. **Fast Meter.** If a meter is found to be registering more than 2% fast, the utility shall refund to the Customer the amount of the overcharge based on the corrected meter readings or the utility's estimate of the gas usage either for the known period of meter error or, if the period of error is not known, for the period during which the meter was in use, in either situation not exceeding six months.
2. **Slow Meter.** If a meter is found to be registering more than 2% slow, the utility may bill the Customer for the amount of the undercharge based on corrected meter readings or the utility's estimate of the gas usage either for the known period of meter error or, if the period of meter error is not known, for the period the meter was in use, in either situation not exceeding 6 months.
3. **Non-registering Meter.** If a meter is found to be non-registering, the utility may bill the Customer for the amount of the undercharge based on the utility's estimate of the gas service used but not registered, for a period not exceeding one year.

D. Adjustment of Bills for Billing Error

A billing error is an error by the utility that results in incorrect billing charges to the Customer. Billing errors may include incorrect meter reads or clerical errors by a utility representative such as applying the wrong rate, wrong billing factor, or an incorrect calculation. Billing error does not include meter error or unauthorized use, nor any error in billing resulting from meter dial over caused by other than the utility, switched or mismarked meters by other than the utility, inaccessible meter, failure of the Customer to notify the utility of changes in the Customer's equipment or operation, or failure of the Customer to take advantage of a rate or condition of service for which the Customer is eligible.

Where the utility overcharges, or undercharges, a Customer as the result of billing error, the utility may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, for the period of the billing error, but, not exceeding one year.

E. Adjustment of Bills for Unauthorized Use

Unauthorized use is the use of energy in noncompliance with the utility's tariffs or applicable law. It includes, but, is not limited to, meter tampering, unauthorized connection or reconnection, theft, fraud, intentional or unintentional use of gas whereby the utility is denied full compensation for gas service provided.

Where the utility determines that there has been unauthorized use of gas service, the utility may bill the Customer for the utility's estimate of such unauthorized use. Such estimated billing shall indicate unauthorized use for the most recent three years and, separately, unauthorized use beyond the three year period for collection as provided by law. However, nothing in this Section shall be interpreted as limiting the utility's rights and/or remedies in any provisions of any applicable law.

F. Limitation on Adjustment of Bills for Energy Use

For any error in billing not defined as billing error, meter error, or unauthorized use, the utility is not required to adjust the bill. However, any billing adjustment not specifically covered in the tariffs for an undercharge or overcharge shall not exceed one year.

G. Interest on Bills for Unauthorized Use

The utility will bill and collect interest at a rate which is the lesser of eighteen (18) percent per annum on unauthorized use billings from the date the unauthorized use commenced or the maximum interest allowed by law, as well as on any amortized repayment agreements.

H. Recovery of Associated Costs for Unauthorized Use

The utility will bill and collect the associated costs resulting from the unauthorized use including, but not limited to, investigative, repair and equipment damage costs.

19. SUPPLY TO SEPARATE PREMISES AND RESALE

A. Separate Metering

Separate Premises, even though owned by the same Customer, will not be supplied through the same meter, except as may be specifically provided for in the Rate Schedules.

B. Furnishing and Metering of Gas

Each single family dwelling unit, multi-family dwelling unit, mobile home park space, or non-residential tenant space shall be individually metered by the utility.

C. Other Uses and Premises

1. A Customer shall not furnish or use gas received from the utility upon other Premises, except for the utility's operating convenience, or for other purposes than those specified in the Customer's application for service or in the applicable Rate Schedule.
2. Sub-metering of gas is prohibited except as provided for in this Section. In the event that gas is sub-metered other than as provided for in this Section, the utility may either discontinue service to the Customer, or furnish gas directly to the sub-metered entity at the utility's option.

20. SPECIAL SERVICE CHARGES

The Customer may, at their discretion, request the utility and the utility at its discretion may provide, the service of investigation of the Customer's gas system on the Customer's side of the meter. Such investigation shall be conducted at a fee in accordance with Rate Schedule MISC. The Customer shall be informed of an estimate of these fees in advance of the inspection.

21. FACILITY RELOCATION FUND

A. General

As part of the ongoing efforts to redevelop Mare Island, a facility relocation fund ("Relocation Fund") will be established to provide financial assistance to the City of Vallejo ("City") or a Qualified Developer (as defined herein) for use in the relocation or reworking of electric and gas utility facilities in conjunction with City's redevelopment activities on Mare Island. There shall be but one fund from which both electric and gas relocation projects may receive funding. The same application procedure will be applicable to both and withdrawals from the Relocation Fund for gas projects will reduce the funds availability for electric projects and visa versa.

B. Contributions To Fund/Maximum Balance

The utility will commence regular contributions to the Relocation Fund by the collection of two percent (2%) of the gross annual receipts from the sale of electricity and gas by the utility. The Relocation Fund shall have a maximum balance of Three Hundred Fifty Thousand Dollars (\$350,000) at any one time. Contributions to the Relocation Fund shall continue on an ongoing basis until the maximum balance is attained. At such time the maximum balance is attained, all collections for this fund and contributions by the utility shall cease. If a withdrawal causes the balance in the Relocation Fund to drop below the maximum balance herein established, utility shall once again commence making contributions under these same terms beginning on the month following the month during which the Relocation Fund was so reduced. The Relocation Fund shall not be increased by receipt of interest on its balance at any time. Any interest earned on the principal balance shall be directed into utility's operational account for general purpose use. There shall be no monetary obligation by the utility under this Section 21 beyond the balance contained in the Relocation Fund.

C. Withdrawal From Fund

The City or any Developer under contract with the City for the redevelopment of any portion of Mare Island ("Qualified Developer") may request assistance from the Relocation Fund for use in utility relocation made necessary by redevelopment activities on Mare Island. Any application of funds from the Relocation Fund must be utility related and limited to relocating electric and gas facilities in conformance with Mare Island Reuse Plan, as amended from time to time. The amount of support under the Relocation Fund is limited to the balance of the Relocation Fund as determined hereunder.

E. Procedures for Withdrawal

The City or a Qualified Developer may request a withdrawal from the Relocation Fund for use consistent with Mare Island Reuse Plan under the following criteria:

1. The City or Qualified Developer may request funds in support of the relocation of electric and/or gas distribution facilities owned by the utility on a specific project-by-project basis.
2. Such request shall be tendered to the utility in writing, indicating the specific project, and the amount requested, the time frame during which relocation activities should be completed, and any other information or data pertaining to the project which is required by the utility to meet both the funding and relocation requirements associated with the project.
3. The City and the utility shall work together to develop a form of request satisfactory to meet the needs of the City, any Qualified Developer and the utility.
4. The City and the utility shall endeavor to communicate on an ongoing basis so that any projects might be foreseen, and may be approached as efficiently as possible.
5. The City or any single Qualified Developer Shall not be entitled to a withdrawal of

more than fifty percent (50%) of the Relocation Fund balance as it exists on the date and at the time of the submittal of the application under this section, after having deducted all amounts which are the subject of prior applications under consideration. In the event a prior application is denied prior to a final determination on the later application, the funds available to the later Applicant shall be recalculated as if the prior application had not been made. Prior to payment hereunder, the City or a Qualified Developer must (a) have submitted a project application, (b) paid the application fee, (c) entered into a Working Contract with utility, (d) completed the project in compliance with all of the terms of its agreements with utility and (e) be in compliance with these tariffs. Any failure to comply with the requirements of this Section shall result in the restoration of the funds earmarked for the City or a Qualified Developer to the Relocation Fund. The application for a withdrawal from the Relocation Fund will be processed in the order in which the applications are submitted.

6. In the event that the City or a Qualified Developer otherwise meets all of the criteria set forth in this Section 21 and the Executive Director has agreed to fund in whole or in part the relocation project, such Applicant may request to have the utility carry out the relocation project. The utility, if it accepts responsibility for the design and construction of the relocation project, shall charge the Relocation Fund for all engineering, design, construction, labor, equipment and other costs and expenses, to the extent of the funds would otherwise be available to the City or a Qualified Developer. Any costs above and beyond the funds available hereunder shall be the sole responsibility of the Applicant as otherwise provided under these tariffs. For relocation project with estimated cost less than \$10,000, the utility General Manager shall have sole discretion to decide whether the utility will take on the project or not. For relocation project with estimated cost over \$10,000, the Executive Director shall have sole discretion to decide whether the utility will take on the project or not.

7. The Executive Director of Pittsburg Power Company ("PPC") shall review each request for withdrawal from the Relocation Fund for all projects with an estimated cost of more than \$10,000, and shall, at the Executive Director's sole discretion, decide to fund or not to fund the requested relocation project out of the Relocation Fund. The Executive Director's decision will be based on the finding of whether or not the project is viable and can be completed successfully, is consistent with the Reuse Plan, as amended from time to time, and is consistent with the conditions of this Section. For all projects with an estimated cost of \$10,000 or less, the General Manager shall be responsible for the review and determination whether or not to approve the application, and in making such determination shall exercise the same discretion as that exercised by the Executive Director on projects with an estimated cost of more than \$10,000.

8. For projects with an estimated cost of more than \$10,000, a City or Qualified Developer who is not satisfied with the decision of the Executive Director, has recourse by appeal to the full Board of Directors of PPC ("Board"). In which event the City or Qualified Developer shall, within ten (10) days of the mailing of the Executive Director's written decision, submit a written appeal containing all arguments in favor of the use of Relocation Funds for project, along with any relevant exhibits demonstrating compliance with the conditions of this Section to the Board. The Board will thereafter consider the appeal in a timely manner at a regular noticed meeting and its decision shall be final. For projects with an estimated cost of \$10,000 or less, the decision not to approve the use of funds from the Relocation Fund will, at the request of the Applicant, be reviewed by the Executive Director, whose determination shall be final.

9. The amount of funding available to the City or Qualified Developer under this

procedure is strictly limited to the amount determined under Section 21(F)(5) above.

10. All funds held in and distributed from the Relocation Fund are public funds within the meaning set forth in California Labor Code sections 1720, et seq., and may or may not be subject to the prevailing wage laws contained therein. The City or Qualified Developer shall indemnify the utility and PPC against any and all claims regarding any failure to pay prevailing wages.

F. Limited Obligation

Other than as set forth in this Section 21 and in Sections 15.K, the utility shall incur no other obligation to fund the utility facility expenses incurred by the City or any developer.

G. Termination

The relocation fund shall terminate at the earlier of the following dates: a) the date on which those Qualified Developers having charge of redevelopment pursuant to the Reuse Plan, as amended from time to time, have completed their work or b) February 1, 2025.

22. CALIFORNIA PUBLIC BENEFITS PROGRAM FOR NATURAL GAS

A. General

Public Utilities Code Section 890 imposed a surcharge on all natural gas consumed in California and Section 892 requires that the surcharge be remitted to the State Board of Equalization. Section 898 exempts Island Energy, as a municipal utility, from the requirement of collecting and remitting the surcharge if its published tariffs offer certain public benefits programs such as home weatherization services, rate assistance for low-income customers, cost-effective energy efficiency and conservation activities, and public interest research and development.

B. Island Energy Public Benefits Fund for Natural Gas

The Island Energy Public Benefits Fund for Natural Gas charge is one percent (1%) of of the applicable Island Energy Delivery Charge, per therm.

The Public Benefits Fund for Natural Gas charge shall appear as a separate line item on the utility bills. The fee will be collected on the natural gas revenues of all Customers tied to Island Energy's distribution system. The collected funds will be maintained in a separate account and disbursed for the Public Benefits Program for Natural Gas.

D. Island Energy Public Benefits Programs

The Island Energy Public Benefits Funds will be used to fund the following programs on a first come, first serve basis subject to available funds:

1. Residential Energy Advisory Services Program

Island Energy will provide free on-site residential energy analysis and advice on how to conserve energy. Also, Island Energy will provide free educational brochures and mailings to its customers demonstrating how they can conserve energy through demand side management techniques.

2. Residential Low Income Assistance Program

Island Energy provides discounted natural gas rates to eligible low-income residential Customers to assist with payment of utility bills. To qualify, an Applicant must submit a completed program application and provide a copy of their prior year U.S. Tax Return along with sufficient documentation to verify total household income. Household income

must not exceed the limits shown in the table below for the corresponding number of persons residing in the home.

Eligible Applicants will receive a 20% discount on their residential natural gas rate.

Customers on the discounted rate must verify continued eligibility on an annual basis and notify the Utility within thirty (30) days if their financial circumstances change such that they no longer meet the low-income eligibility criteria. If the Utility determines that a Customer no longer meets eligibility requirements, the Customer will be removed from the program and may be rebilled under the applicable full-rate schedule for any period of ineligibility.

~~will provide discounted natural gas rates to assist eligible low-income residential Customers with paying their utility bills. To be eligible to receive assistance from this program, an interested Customer must file an application with the utility and provide a copy of his/her U.S. Tax Return from the previous year along with other proof which is sufficient to establish all household income. To obtain the benefit under this program the total household income for any Applicant shall not exceed those amounts shown on the table below for the corresponding number of persons residing in the household. Eligible Applicants will receive a 20% discount on their residential gas rate. If a Customer's financial situation is changed and no longer fulfill the low-income eligibility criteria, the Customer must notify the utility within thirty (30) days of the change. Each Customer receiving the reduced rate under this Program must reapply for eligibility at least once a year on or before the anniversary date of the first bill received showing a discount under this Program. In addition, the utility may request an updated verification of household income at its discretion. If the utility establishes that the Customer is no longer eligible for the program, the Customer will be removed from the program and the utility may render corrected billings under the full rate schedules hereunder for the period of ineligibility. Such customer will also be reported to the appropriate law enforcement agencies for fraud.~~

<u>Number of Persons in Household</u>	<u>Maximum Annual Household Income</u>
1-2	\$31,300
3	\$36,800
4	\$44,400
5	\$52,000
6	\$56,600
Each additional member, add:	\$7,600

3. Home Weatherization Services

The utility offers rebates for home insulation and installation of energy efficient windows. This program does not allow for reimbursements to developers of residential or commercial developments. In order to be considered for this rebate, the Customer must complete, sign and submit a Home Weatherization Program application form to the utility, along with an original or legible copy of the purchase receipt. A utility representative may call to schedule a physical inspection of the installed insulation or windows prior to issuing a rebate. Rebates under this program are the lesser of: (a) 50% of weatherization costs up to a maximum amount of \$1,000; or (b) 50% of the balance of the Public Benefits Fund for Natural Gas at the time the application is approved.

4. Commercial Energy Efficiency Rebate Program

This program is designed to provide certain rebates for designated energy conservation measures to commercial customers who receive natural gas service from the utility. Commercial customers desiring to improve energy efficiency within their facilities and seek to take advantage of this program may file an application with the utility in the form provided by the utility and posted on its website. The following additional requirements shall apply:

- a. The Applicant must be able to demonstrate that recently installed improvements or planned improvements, for which it seeks contribution to the expense of the improvements, will result in a reduction in the use of natural gas by at least 10%. The application must be accompanied by: (a) copies of any executed contract with a contractor who is going to install the energy efficiency improvement measures; (b) copies of any reports demonstrating the actual or, in the event the improvements have not yet been installed, anticipated energy savings; (c) invoices for qualified energy efficiency products purchased and installed, or to be installed; and, (d) any other supporting information.
- b. A utility representative may call to schedule a physical inspection of the planned or installed improvements or request further information in order to evaluate if and to what extent, the improvements qualify for reimbursement under this program.
- c. Funds originally earmarked under one application will be made available to other Customers if the Applicant fails to submit all required supporting documents and install the proposed energy efficiency improvements within the required time period.
- d. After installation and a three month window allowing the utility to collect natural gas consumption data from the service location which successfully demonstrates the requisite energy reduction, the utility will make the appropriate reimbursement. The utility has sole discretion to determine the applicable rebate amount and program eligibility and its determination shall be final in all cases.
- e. Reimbursement is subject to funds available under the Public Benefits Fund Program and will be made available in the order in which all applications are received. . Rebates under this program are the less of (a) 50% of the project equipment cost up to a maximum amount of \$35,000; or (b) 50% of the balance of the Public Benefits Fund for Natural Gas at the time the application is approved.
- f. The natural gas rebate catalog provides rebate calculations based on expected natural gas savings for replacement of the following types of equipment:
 - Space heating
 - Water heating
 - Commercial Kitchens

Other types of equipment which improve the efficiency of natural gas consumption may be eligible for similar rebates using the natural gas rebate catalog calculations if the equipment is shown to improve efficiency under generally accepted engineering principles.



Rate Schedule GS-1
METERED INDUSTRIAL/COMMERCIAL GAS SERVICE

APPLICABILITY

This service is available to all non-residential Customers receiving metered gas service

TERRITORY

Applicable throughout the service territory.

RATES

Basic Service Fee, per meter per day\$0.6322

Island Energy Delivery Charge, per Therm.....\$1.1704

Energy Cost Pass Through, per Therm (See Special Condition 3.)

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2.1 of this Tariff.
2. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and reinitiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
3. As frequently there are changes to the charges for natural gas delivered to Island Energy there will be a change to the Energy Cost Pass Through Rate. This rate will equal the forecast total price for natural gas delivered to Island Energy divided by the forecast sales, plus an amortization of any prior over, or under, collections.



Rate Schedule GS-2
METERED RESIDENTIAL GAS SERVICE

APPLICABILITY

This service is applicable to all residential Customers receiving metered gas service. A residential Customer is defined as using a low-pressure domestic service for heating, cooking, water heating, or a combination thereof, in single family dwellings, flats, and apartments, separately metered by the utility and low-pressure service used in common for residential purposes by tenants in multi-family dwellings.

TERRITORY

Applicable throughout the service territory

RATES

Basic Service Fee, per meter per day.....\$0.1902

Island Energy Delivery Charge, per Therm.....\$1.1704

Energy Cost Pass Through, per Therm (See special condition 3.)

The minimum charge on the Rate Schedule shall be equal to the Basic Service Fee.

SPECIAL CONDITIONS

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in 2.01.
2. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
3. As frequently there are changes to the charges for natural gas delivered to Island Energy there will be a change to the Energy Cost Pass Through Rate. This rate will equal the forecast total price for natural gas delivered to Island Energy divided by the forecast sales, plus an amortization of any prior over, or under, collections.



SHEET NO. 98-04-SE
CANCELING SHEET NO. None

Rate Schedule SE
SERVICE ESTABLISHMENT FEE

APPLICABILITY

Applicable to all gas Customers requesting service from the utility, where all facilities are in place to allow the establishment of service by a single meter.

TERRITORY

Applicable throughout the service territory.

RATES

Service Establishment Charges

During normal working hours	\$15.00
During normal working hours with less than four hours notice	\$30.00
During non-working hours	\$60.00

SPECIAL CONDITIONS

1. The service establishment charge provided for herein is in addition to the charges calculated in accordance with all other charges and applicable tariffs. The charge will be made each time an account is opened, and will include a turn-on or reconnection of gas service requiring a meter set or change of name on the account, or additional meter read.



Rate Schedule MISC
MISCELLANEOUS FEES

APPLICABILITY

Applicable to all gas Customers requesting miscellaneous services from the utility.

TERRITORY

Applicable throughout the service territory.

RATES

Project Application Fee

~~A \$250.00 project application fee \$5,000 deposit~~ is required at the time when a project application is submitted to Island Energy.

Project Deposit and Invoicing

~~_____ \$1,400 will be charged against this deposit as administrative fee. A deposit equal to 25% of the total estimated project cost is required before work begins. The remaining project costs will be invoiced on an ongoing basis until the full project cost has been collected. A late penalty equal to 10% of the total invoice amount will be assessed on any customer project invoice not paid by the stated due date.~~

Island Energy Labor Rates

During normal working Published City of Pittsburg Full Cost Hourly Rate
(7:30am to 4:00 pm) Monday through Friday and not holidays)

During non-normal working hours.....1.5 times Published City of Pittsburg Full Cost Hourly Rate

There will be a 1 hour minimum charge per event, billed in increments of one-half hour thereafter.

Project Administration Charge

In the case that the Utility handles contractor contracts and materials for the Customer, project costs including but not limited to equipment, materials, engineering and contractor fees will be subject to a 105% mark up to cover project administration costs.



Electric Tariff

Applicable to

Island Energy

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Rate Schedule CPS:	Customer Project Support Charges and Fees
Rate Schedule NCE:	New Commercial Electrical Systems Reimbursement
Rate Schedule M:	Medical Residential Electrical Service Discount
Rate Schedule N:	Low Income Residential Electrical Service
Rate Schedule NEM:	Solar Customers on Net Energy Metering Program
Rate Schedule ERE:	Solar Customers on Exported Renewable Energy Program

1. GENERAL INFORMATION

A. TERRITORY SERVED

Pittsburg Power Company, a public joint powers authority, also known as Island Energy, is a municipal electric Utility ("the Utility") that supplies electric service for the entire area within the City of Vallejo city limits identified and referred to as "Mare Island".

B. CONFIDENTIALITY OF CUSTOMER INFORMATION

Utility will maintain the confidentiality of all customer information, including identification information and all data associated with electric service and / or other related Utility service consumption, as required by law. Customers may request such information for their own use in writing from the Utility, and such data will be provided in a timely manner.

C. ELECTRIC MEASUREMENT

Measurements will be made by use of a standard electric meter furnished by the Utility unless otherwise specified on the rate schedules.

D. CONTRACTS

Whether or not the Tariff requires a written contract, the Utility may require, in its sole discretion, a customer to enter into a written contract as a condition to provide service. Contracts will be required when service is delivered under different rates, terms and conditions than set forth within the Tariff, in which event the Customer and the Utility shall acknowledge that the contract is in lieu of the Tariff.

E. INFORMATION AVAILABLE TO CUSTOMERS:

1) Tariffs

A copy of the Island Energy Gas and Electric Tariffs are available at the Utility's office at 995 Walnut Avenue on Mare Island during normal business hours and can also be viewed online at www.islandenergy.com

2) Electric Service Rate Schedules

The rates to be charged by the Utility for electric service will be the rates in effect and at that time, as included in this Tariff document, on file in the Utility's office and online at: www.islandenergy.com

3) Utility Standards

The Utility follows PG&E approved standards for all materials, design, construction, and services as set forth in the PG&E's Greenbook.

2. DEFINITIONS

Applicant: A person or entity requesting the Utility to supply electric service, relocate electric facilities, or upgrade electric facilities.

Avoided Energy Cost: Cost to the Utility of electric energy or capacity or both which, but for the purchase from a qualifying renewable facility, such the Utility would generate itself or purchase from a non-renewable source.

Avoided Energy Cost Rate: Cost per Kilowatt-hour to the Utility of procuring renewable energy from a qualifying renewable facility, plus the renewable attributes cost per Kilowatt-hour associated with the renewable generation purchase.

Billing Period: A period of time during which Utility services are measured and for which such services are invoiced to Customers. The billing period will generally be between Twenty-Eight (27) to Thirty-Three (33) calendar days.

Cabling: Conductors, connectors, switches, and auxiliary equipment, as required by the Utility for construction of distribution facilities, connection to the Utility, relocation of facilities, or upgrade of electric facilities.

Conduit: Ducts, pipes or tubes of certain metals, plastics and other materials acceptable to the Utility, for the installation and protection of electric wires or cables. This shall include concrete encasements unless otherwise specified by the Utility's standards.

Customer: The person or entity in whose name service is rendered as evidenced by the signature on the application, contract, or agreement for that service, or, in the absence of a signed instrument, by the Utility's receipt of payment of bills regularly issued in that person's name.

Customer Contract: A contract that is entered into by and between the Utility and an Applicant for performing electrical transmission or distribution system work under the Tariff.

Customer Service Point: The point of connection where the facilities of the Utility and the wiring of the Customer's Premises meet and are connected.

Developer: A company (or individual) which develops land or changes and enhances the use of a parcel of land or an existing building for some new purpose within the service area of Utility.

Electronic Transfer: Paper-less exchange of data and/or funds, usually involving computer and telecommunications technology.

Eligible Customer Generator: A Customer who has a Renewable Electrical Generation Facility located on the customer's owned, leased, or rented Premises, and is interconnected and operates in parallel with the electrical grid, and is used primarily

to offset part or all of Customer's own electrical demands, consistent with Public Utilities Code section 2827(b)(4).

Eligible Expenses for Reimbursement: Eligible Expenses are defined as all necessary expenses incurred in the installation of new commercial electrical distribution systems, including but not limited to electrical equipment purchase, engineering, labor, 3rd party consulting and legal expenses, pursuant to a Customer Contract. Eligible Expenses do not include expenses incurred under the Customer Contract for excavation, conduits, substructures and protective structures. Applicant shall remain responsible for the cost of all relocation, rearrangement and removal work, unless the work qualifies for reimbursement under Section 6.L.

Exported Renewable Energy (ERE) Program: The successor program of the NEM program. Under the ERE program. The ERE program employs a billing mechanism that charges Eligible Customer-Generator applicable retail rate for each Kilowatt-hour taken from the Utility's grid and compensates each Kilowatt-hour feed back to the grid at the Avoided Energy Generation Rate.

Inevitable Accident: An occurrence causing an interruption in service which is outside of the control of the Utility and which the Utility could not have prevented by the Utility's reasonable diligence in its operation of the subject facilities. Occurrences caused by the age of the Utility systems shall not be deemed preventable.

Mailed: Any notice or other communication will be considered "mailed" when it is sent electronically (email, text or other electronic format) or enclosed in a sealed envelope, properly addressed, and deposited in any United States Post Office box, postage prepaid. The postmark date for notices or other communication sent electronically will be considered the date the communication was sent.

Maximum Demand: The maximum amount of power (kW) drawn for any 15-minute interval during a billing period, as indicated or recorded by instruments installed, owned and maintained by the Utility.

Mixed Use Residential/Commercial Development: Any development which incorporates both residential and commercial uses i.e. first floor retail or educational and second or third floor residential.

Net Energy Metering (NEM) Program: The Net Energy Metering Program allows Eligible Customer-Generator to bank and use the generated renewable electricity anytime over a 12-month period, instead of when the renewable electricity is generated.

Net Surplus Energy: The energy generated by an Eligible Customer-Generator measured in kilowatt-hours over a 12-month period that exceeds the amount of energy drawn by that Eligible Customer-Generator from the Utility's grid over the same 12-month period.

Net Surplus Energy Compensation Rate: Equal to or no greater than the Avoided Energy Cost Rate. The Net Surplus Energy Compensation Rate is calculated and updated by the Utility's annual rate case study

New Permanent Load: A New Permanent Load is a new load resulting from and/or benefited by the improvement or expansion of the existing electrical system pursuant to a Customer Contract.

Paid or Payment: Funds received by the Utility through postal service, the Utility payment office, credit card payments to the Utility, or deposited in the Utility bank account by electronic transfer.

Premises: All of the real property and apparatus employed in a single enterprise on an integral parcel of undivided land, excepting in the case of industrial, agricultural, oil field, resort enterprises and public or quasi-public institutions, by a dedicated or undedicated street, highway or other public thoroughfare or a railway. Automobile parking lots constituting a part of an adjacent to a single enterprise may be separated by an alley from the remainder of the Premises served. In the case of Premises on which a master meter is installed, Premises shall refer to all of those residences, dwelling units, mobile home spaces, stores, offices or other places of business for which the consumption of electricity is measured and assessed by the master meter.

Primary: Electric service that is taken at or above 2 kilovolts, but below 25 kilovolts provided that the service is taken from regularly available service voltages. The Utility retains the right to change the voltage level that is to be considered to be regularly available upon reasonable notice to the Customer.

Protective Structures: Curbs, fences, retaining walls, grading, sound barriers, posts, barricades and other structures as required by the Utility to protect its facilities or equipment.

Ready Access to Premises: Access to the Utility's facilities made available by the Customer or Applicant in a manner that is safe and unobstructed to the Utility personnel and vehicles. A Customer provides ready access when all animals on the Premises are restrained and there is no obstruction to the utility equipment.

Renewable Electrical Generation Facility: A facility that generates electricity from a renewable source listed in paragraph (1) of subdivision (a) of Section 25741 of the California Public Resources Code including biomass, solar thermal, photovoltaic, wind, geothermal, fuel cells using renewable fuels, small hydroelectric generation, digester gas, municipal solid waste conversion, landfill gas, ocean wave, ocean thermal, or tidal current, and any additions or enhancements to the facility using that technology.

Secondary: Electric service that is taken below 2,000 volts and service that does not qualify as primary.

Substructures: The surface and subsurface structures necessary to contain or support the Utility's electric facilities. These include but are not limited to such items

as splice boxes, pull boxes, equipment vaults and enclosures, foundations or pads for surface mounted equipment.

Temporary Service: Service for enterprises or activities which are temporary in character or where it is known in advance that service will be of a limited duration. Service which, in the opinion of the Utility, is for operations of a speculative character or the permanency of which has not been established, also is considered temporary service.

Vessel: A means of transportation on water used for recreational, navigational commercial purposes.

3. ELECTRIC SERVICE

A. DESCRIPTION OF SERVICE

1) General

The character of service available at any particular location should be ascertained by inquiry at the Utility's office. The Utility's rate schedules are applicable for service where the Customer purchases its entire electrical requirements from the Utility, except when such rate schedules specifically provide otherwise. Alternating current service of approximately 60-cycle frequency will be supplied. Voltages referred to in the Tariff schedules are nominal voltages.

2) Utility Phase and Voltage Specifications

a) Standard Voltages

Standard voltages of the Utility are as follows:

(i) Transmission Voltages

Voltages of 115,000 volts and above are transmission voltages. For its operating convenience, the Utility may elect to supply a Customer from lines of transmission voltage.

(ii) Primary Voltages

Primary voltages are 12,000 volts, where available and applicable.

(iii) Secondary Voltages

Secondary voltages are 120, 120/208, 120/240, 240, 480, 277/480, 2400, 4160 and 6930 volts, where available and applicable.

(iv) Customer Utilization Voltages.

All Customer-owned utilization equipment must be designed and rated in accordance with the following utilization voltages specified by the American National Standard C84.1 if Customer equipment is to give satisfactory performance:

Normal Utilization Voltage	Minimum Utilization Voltage	Maximum Utilization Voltage
120	110	125
208	191	216
240	220	250
277	254	289
480	440	500

The difference between the service and utilization voltages describe voltage drop in Customer wiring and Utility operations.

b) Single-phase Service

- (i) For 120-volt services the maximum connected load allowed is one 15 amp plus one 20 amp branch circuit. The maximum motor allowed is a 1-1/2 hp motor.
- (ii) For 120/208 volt services the maximum connected load is a 400 amp main switch. Where the Utility maintains 4-wire connected service, the single-phase service shall be limited to a 100 amp main switch.
- (iii) For 120/240 volt services the maximum connected load is a 400 amp main switch. The maximum motor load allowed is a 10-hp motor.
- (iv) For 480 volt services the minimum connected load is 15 kVA and the maximum connected load shall be a 400 amp main switch unless prior Utility approval is obtained.
- (v) For 2400 volt services, and above, the minimum connected load and the maximum connected load will vary by location and will be subject to Utility approval.

c) Three-phase Service

(i) Minimum Connected Load

The minimum connected load requirement for 3-phase service is dependent on the nature and availability of the Utility's facilities at any specific location.

Volts	Maximum Demand Allowed	Maximum Main Switch Capacity Allowed
208	1,000 kVA	4,000 amperes
240	1,000 kVA	4,000 amperes
480	3,000 kVA	4,000 amperes

> 480	varies by location	varies by location

(ii) Balanced Loads

Loads on 3-phase service must be balanced between phases in accordance with good engineering practice, as determined by the Utility. In no cases will the load on any one phase exceed twice that on any other phase.

(iii) Excess Load

Loads in excess of the above stated loads may be served at the Utility's discretion. Check with the Utility for specifications required.

(iv) Utility Authority to Modify Specifications

The Utility may modify the voltage and phase specification due to service conditions at the location involved.

(v) Utility Authority to Limit Motor Size

The Utility may limit the size, and other characteristics, of the largest motor that may be operated in any part of its system.

3) Electric Service Protection Requirements

a) Motor Protection and Equipment

- (i) Motors and related equipment shall be equipped by the Customer to avoid any damage due to power outages and restorations of service, power surges, or high or low voltage fluctuations.
- (ii) Motors shall be equipped with protective equipment needed to protect against damage due to overheating.
- (iii) Three-phase motors shall be equipped to protect against damage due to reverse-phase and open-phase conditions.

b) Allowable Motor Starting Currents

The starting current drawn from the Utility's lines shall be considered the nameplate locked rotor current, or that guaranteed by the manufacturer. At its option, the Utility may determine the starting current by test, using a stop ammeter with not more than 15% over swing; or an oscillography disregarding the value shown for the first 10 cycles subsequent to energizing the motor.

The maximum connected load by service shall include, in the case of motor load, the starting current drawn from the Utility in addition to all other load.

At the Utility's sole discretion, the Customer may be required, at the Customer's expense, to install reduced voltage starting or other suitable means that limit the starting current to any motor.

c) Welder Service

Where electric welders are served the Utility may bill the Customer for any applicable demand charges based on a 60-second, 5-minute, or 15-minute integrated demand basis in lieu of the normal demand billing period.

d) Power Factor

The Utility may require the Customer to provide, at the Customer's expense, equipment to increase the operating power factor at the Utility's service connection point to the Customer to not less than 90%, lagging or leading.

The Utility, at its sole discretion, shall be authorized to install kVAR metering along with kW metering where the Customer is, in the Utility's opinion, of sufficient size and may have a power factor such that billing in this manner is appropriate.

e) Wave Form

The Utility may require that the waveform of current drawn by Customer equipment of any kind be in conformity with good engineering practices (such as the requirements of the Institute of Electrical and Electronics Engineers' (IEEE) Recommended Practice 519).

4) Interference with Electric Service

a) Voltage Fluctuations

Customers who operate equipment that causes detrimental voltage fluctuations (including, but not limited to hoists, welders, radio transmitters, X-ray apparatus, elevator motors, compressors, and furnaces) must reasonably limit such fluctuations upon request by the Utility or discontinue service at the request of the Utility. The Customer will be required to provide corrective measures necessary to limit voltage fluctuations at its expense. Any damage resulting from voltage fluctuations shall be the responsibility of the Customer causing such fluctuations.

b) Arc Furnace

Any arc-furnace service installations are subject to the Utility's approval.

c) Current Imposition

Any Customer who superimposes a current of any frequency upon any part of that Customer's electrical system, other than the current supplied by the Utility, shall at that Customer's expense, prevent the transmission of such current beyond the Customer's electrical system.

d) Good Engineering Practice

Customers shall at all times comply with good engineering practices (such as the requirements of the Institute of Electrical and Electronics Engineers (IEEE) Recommended Practice 519) in order to minimize any detrimental voltage disruption.

B. TEMPORARY SERVICE

The Utility shall, upon determining that such Temporary Service will not result in undue or adverse hardship to its existing Customers, such as a condition of limited system capacity or excessive voltage drop, furnish Temporary Service under the following conditions:

1) Estimated Cost

The Temporary Service Applicant shall pay, in advance or otherwise as required by the Utility, the estimated cost of installation, plus the estimated cost of removal, less the estimated salvage of the facilities necessary for furnishing electrical service.

2) Applicant Credit

The Applicant shall establish credit as required by Section 4.B, except that the amount of deposit prescribed by Section 4.C shall not exceed the estimated bill for the duration of service.

C. SHORTAGE OF ELECTRICAL SUPPLY / INTERRUPTION OF SERVICE

1) Shortage and Interruption

The Utility will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of electric energy to the Customer, and to avoid any shortage or interruption of delivery of same. The Utility will not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby, if same is caused by Inevitable Accident, Act of God, fire, strikes, riots, war or any other cause not within its control. It shall be deemed to be beyond the control of the Utility where the interruption is due to an unanticipated failure of any part of the Utility's systems.

2) Temporary Suspension for Repairs

The Utility, whenever it find it necessary for the purpose of making repairs or improvements to its system, will have the right to suspend temporarily the delivery of electric energy. In all such cases, reasonable notice as circumstances will permit will be given to the Customer by telephone, communications mailed to the Customer, or publication in a local paper, and the making of such repairs or improvements will be performed as rapidly as may be practicable, and, if practicable, at such times as will cause the least inconvenience to the Customers.

In the event of a planned suspension of service for repairs or improvements where the Utility has complied with the notice provisions of this Section or the Customer otherwise receives actual notice, Utility shall not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby.

3) Apportionment of Supply during Time of Shortage

Should a shortage of supply ever occur, the Utility will apportion its available supply of electricity among its Customers in the manner that appears to the Utility to be most equitable.

4) Liability of the Utility for Shortage / Interruption

The Utility shall not, by acting pursuant to any portion of this Section, or any other provision of these Tariffs, be liable for any loss, damage, or injury, established or alleged, which may result or be claimed to result there from. In no event shall the Utility be responsible for consequential, indirect, special, incidental, punitive or exemplary damages, or damage or loss caused by reason of loss of use, loss of profits or revenues, or cost of capital.

D. ELECTRIC SERVICE TARIFF COMPLIANCE

1) Unauthorized Use

The Utility may discontinue service if the acts of the Customer or the conditions upon his/her Premises indicate intent to deny the Utility full compensation for services rendered, including, but not limited to, tampering or unauthorized use.

2) Use of Service Detrimental to Other Customers

The Utility will not provide service to electrical equipment of which would be detrimental to other electric service, as set forth by Industry Standards including, but not limited to, those published by the National Fire Protection Association (NFPA), Institute of Electrical and Electronic Engineers (IEEE), and the National Electrical Manufacturers' Association (NEMA), and will discontinue electric service to any Customer who continues to operate such equipment after being notified by the Utility to discontinue operation.

3) Fraud

The Utility may refuse or discontinue service if the acts of the Customer or condition on his/her Premises indicate intent to defraud the Utility.

4) Non-Compliance with the Utility's Tariffs

The Utility may discontinue service to a Customer in the event that the Customer fails to comply with any provision of these Tariffs after receiving written notice delivered to the Customer's billing address of Premises within seven (7) business days. The Utility may discontinue electric service at a Premise anytime with verbal communication only if a dangerous condition or a bona fide emergency is found to present immediate dangers to the occupants of the Premises.

5) Liability

The Customer shall be and remain liable for any and all damages caused to the Utility facilities or to third parties as a result of Customer's failure to comply with the requirements of these Tariffs or the proper use of Customer's equipment.

Nothing in any of these Tariffs is intended to create any new or additional liability to the Utility beyond that required by law. It is the intent of the Tariffs to limit the liability of the Utility to the greatest extent allowed by law, and to maintain for the Utility all applicable immunities and defenses allowed by law.

The Utility shall have no liability for any damage, loss or injury caused in whole or part by Applicant's or Customer's active or passive negligent act or omission or reckless, wanton or intentional act.

All of Applicant's or Customer's duties under each of these Tariffs involving safety, maintenance, repair or installation of facilities, including any duty to give notice to the Utility of conditions of the Facilities, shall also constitute a duty from the Applicant or Customer to all third parties with respect to those facilities, regardless of who owns or controls the facilities. Applicant's or Customer's failure to comply with these Tariffs shall constitute a breach of duty to any injured or damaged third party, and Applicant or Customer shall be liable to any injured or damaged third party for any such injury or damages.

If any portion of these Tariff is determined by a court of competent jurisdiction to be illegal, it shall be severed from the Tariffs and all other portions of these Tariffs shall remain in full force and effect. Each section of these Tariffs would have been adopted separately, even if any other section of the Tariffs had not been adopted.

6) Indemnification

The Customer or Applicant shall defend, indemnify and hold harmless Utility against any claim, demand, loss or liability arising out of or related in any way to Utility's electrical equipment or facilities located on the Customer's or Applicant's Premises, to the fullest extent allowed by law. This duty to defend, indemnify and hold harmless shall arise even in the case of the active or passive or sole negligence of Utility, or Utility's reckless, wanton, malicious, fraudulent or intentional acts or omissions.

4. APPLICATION FOR SERVICE

A. APPLICATION

1) General

- a) A Utility application for electric service is required. Each Applicant for service may be required to sign an application form, either online or paper copy provided by the Utility. The application forms may vary depending upon the type of service requested by the Applicant. Applicants who are qualified for special rates and/or services may be required to complete additional forms and provide support documents in accordance with the Utility's applicable Tariffs. Application form for electric service is available at www.islandenergy.com.
- b) The application is a request for service, and it does not bind the Utility to serve except under its Tariffs and under reasonable conditions. The application does not bind the Applicant to take service for a longer period than the minimum requirement of the Utility's Tariffs. The service Tariffs constitute the terms and conditions of the agreement between the Utility and the Applicant for service rendered, unless otherwise agreed to in writing.
- c) Pursuant to the Tariffs, the Utility may at its sole discretion assess the Applicant's ability to pay its electricity charges. Such assessment may include a credit check initiated by the Utility at the Applicant's expense, contact of commercial references, or other measures, as discussed and agreed between the Utility and Applicant.

2) Information Required on Application

Utility may require the Applicant to establish credit, all Applicants shall provide such other information as the Utility may reasonably require for service.

- a) This information includes, but is not limited to, the legal name of the Applicant(s), the name of the Applicant's spouse or other adults residing at the Premises, the service address, billing address, date service is wanted, whether electric service has previously been supplied to the Premises, whether Applicant is the owner, agent or tenant of the Premises, and the applicable rate schedule .
- b) In addition, the Applicant may be required to provide information necessary to the design, installation, maintenance and operation of the Utility's facilities, including the proposed end use(s), the connected load, the number of residential dwelling units/spaces, the size or character of the appliance or apparatus to be installed, and other information required under the Utility's applicable Tariffs.
- c) The Utility may also request credit information and authorization to run a credit check. Commercial and industrial accounts will be required to provide their North America Industrial Classification System (NAICS) Code(s).

- d) The Utility may request supporting documentation to verify proof of ownership for new service requests. Acceptable documents may include a Final Settlement Statement, Recorded Grant Deed, or other legally recognized proof of ownership. All submitted documentation must demonstrate that the Applicant holds the legal right to establish service in their name at the requested service address as of the date provided on the application.

3) Changes in Load or Operation

It is the Customer's responsibility to notify the Utility in writing within fifteen (15) business days if the Customer makes any change in the connected load, in the number of residential dwelling units/spaces, or in the size or character of its appliances or apparatus. Such change(s) may require a new application for service and/or a change in the Utility's service facilities and may result in the Customer being transferred to a different Tariff schedule and payment obligations for service upgrades.

4) Joint and Several Liability for Service / Beneficial Use

Where two or more Applicants join in one application or contract for Utility service, they shall be jointly and severally liable under the terms of the application/contract and shall be billed by means of a single periodic bill mailed to the Customer designated to receive the bill.

5) False or Inaccurate Information

The Utility may refuse to provide service or may discontinue or disconnect service and/or may re-bill the account when:

- a) Information provided to the Utility on the application is false, incomplete, or inaccurate; or
- b) The Applicant has applied for service under a fictitious name or under the name of another to avoid payment of any Utility bill; or,
- c) The Applicant has requested service in his/her legal name to assist another in avoiding payment of any Utility bill; or,
- d) The Applicant and/or other adults residing with the Applicant have received the benefit of service without paying for it and are attempting to change the name on the account to avoid payment of any Utility bill.

In the event of a re-bill, the Utility shall provide the Applicant with the reason for such a re-bill.

B. ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

Each Applicant for metered service is required to establish their credit to the satisfaction of the Utility before service will be rendered.

1) Establishment of Credit

The Applicant's credit will be deemed established, if:

- a) Applicant is the owner of record or/and occupier in-fact of the Premises upon which the Utility is requested to furnish service.
 - b) Applicant makes a deposit with the Utility to secure the payment of any bills for service to be furnished by the Utility under the application as provided in Section 4.C.
 - c) Applicant has previously been a Customer of the Utility and has paid all bills for service for a period of 12 consecutive months immediately prior to the date when the Applicant for service previously ceased to take service from the Utility, provided such service occurred within two years from date of the new application for service.
- 2) Re-establishment of Credit
- a) An Applicant who has been an electric Customer of the Utility and whose service has been discontinued for failure to pay their electric bills within the last 12 months of service may be required to re-establish their credit by making monthly utility payment by money order, cashier check or credit card. .
 - b) A Customer who fails to pay bills as provided in Section 4.D may be required to pay said bills and re-establish credit by making payment by money order, cashier check or credit card , , the amount provided for in Section 4.C.1.b . The requirement for the re-establishment of credit will apply regardless of service has been discontinued for such non-payment.
 - c) Where the financial condition of a Customer has changed so that the Customer represents a potential credit risk; or where the Utility has received information that a Customer has left another Utility's service territory with a bill that was unpaid Ninety (90) days or more after the billing date, the Customer may be required, as a condition of continued service, to re-establish credit pursuant to Section 4.C.1.b.

C. DEPOSITS

1) Amount of Deposit

a) Establishment of Credit

The amount of deposit required to establish credit may be established by the Utility pursuant to an assessment of the Applicant's credit worthiness.

(i) Commercial

For commercial accounts covering gas and/or electric service, a deposit of \$450.00 is required.

(ii) Residential

For residential accounts covering gas and/or electric service, a deposit of \$200.00 will apply. This amount is deemed to be no more than twice the average monthly bill of a Utility residential customer.

The Utility will have sole discretion in determining the deposit amount, provided that the amount does not impose a hardship.

b) Re-establishment of Credit

The amount of deposit required to re-establish credit shall normally be twice the maximum monthly bill but may be as high as three times the Customer's maximum monthly bill, as determined by the Utility and in conformance to the rules stated in Section 4.C.1.

In addition, the Customer will be required to pay all amounts in arrears, all late payment fees, and a re-connection fee if service has been disconnected.

If service has been disconnected by any action other than the removal of a meter the reconnection fee shall be \$250.00. These fees shall be increased if reconnection is requested by the Customer during times outside of normal work hours.

c) Return of Deposit

The Customer's deposit will be applied to the Customer's bill after 12 months of good payment history, if all Utility bills are paid on time and in full for that period.

d) Retention of Deposit

The Utility may retain the deposit longer than one (1) year if a Customer demonstrates late payment practices. If the service is discontinued by request of the Customer while a deposit is held, then the balance of any deposit remaining after the closing bill for service has been settled will be returned to the Customer by check.

Any outstanding deducted from the deposit and the service may be discontinued until the deposit is restored to the original amount. No interest will be earned on deposit.

D. RENDERING AND PAYMENT OF SERVICE BILLING

1) Rendering of Bills

Bills for service will be rendered either once a month, or as otherwise required for opening and closing bills, or as provided under applicable Tariff.

For billing purposes, each meter upon the Customer's Premises will be considered separately and readings of two or more meters will not be combined.

2) Basis of Usage Used in Billings

a) All Customers who receive metered service will be billed monthly. Meters are automatically read at regular intervals; each bill will be based on meter registrations, except as otherwise provided for herein.

- b) Estimated consumption may be used as the basis for billings, except for the month ending with the actual meter read. The actual meter registrations shall be used, less the estimated consumption used to calculate the previously estimated bills.
- c) If the Utility is unable to read the Customer's meter for technical or other reasons, the Utility may bill the Customer for estimated consumption during the billing period and make any necessary corrections when a reading is obtained. Estimated consumption for this purpose will be calculated considering the Customer's prior usage, the Utility's experience with other Customers of the same class in that area, and the general characteristics of the Customer's operations. Adjustments for any underestimate or overestimate of a Customer's consumption will be reflected on the first regularly scheduled bill rendered and based on actual reading following the period of estimation.

3) Payment of Bills

Bills for service are due and payable upon receipt. Payment shall be delivered to the office of the Utility by mail, phone, by electronic funds transfer (EFT) or delivered to an authorized individual of the Utility.

4) Payment Plan Arrangements

- a) The Utility may, at its discretion, allow a Customer with a past-due balance to enter into a payment plan arrangement. Participation requires the Customer to sign the payment plan agreement before it becomes effective.
- b) Under an approved payment plan, the Customer's monthly amount due shall consist of the current monthly charges plus an installment amount of the past-due balance equally divided over the agreed repayment period.
- c) The Customer must remain current on the monthly installment and all new charges billed during the repayment period. If the Customer fails to comply with the payment plan terms, the Utility may terminate the payment plan. Upon termination, the Customer becomes ineligible to enter another payment plan for a minimum of 12 months and will be subject to service disconnection.
- d) Other payment arrangements may be considered on a case-by-case basis and are granted solely at the Utility's discretion.

5) Delinquent Accounts Sent to Collections

Any customer account carrying a past-due balance of ninety (90) days or more and not enrolled in an active payment plan arrangement is subject to service disconnection and may be referred to collections at the Utility's discretion. The Utility will issue required notices prior to any disconnection or referral to collections in accordance with applicable regulations.

6) Bill Transfer

At the mutual option of the Customer and the Utility, bills may be transferred to Customers electronically. Customers requesting this service may be required to provide electronic information on their application form for utility services. Either party may discontinue electronic transfers with a Thirty (30)-day written notice.

7) Late Payment Fee

a) Late Payment Fee for Residential and Commercial Accounts

For residential and commercial accounts, if full payment is not postmarked or received within twenty (20) days after being mailed to the Customer shall be subject to a late payment fee of \$15.00 or 3 percent (3%) of the unpaid balance, whichever is greater.

b) Late Payment Fee for Municipal Accounts

For municipal accounts, if full payment is not postmarked or received within twenty-five (25) days after the bill is mailed to the customer may be subject to a one and one-half percent (1 ½%) late payment fee or penalty.

c) Late Payment Fee for State Agencies

Where an account serves a state agency and payment is not received within 50 calendar days after the date of mailing of a bill, the late payment charge will be at a rate of one (1%) percent above the rate accrued on June 30th of the prior year by the Pooled Money Investment Account (PMIA), but not to exceed 15 percent, all as set forth in Government Code Section 926.17(b)(1). Such rate may be applied to and accrue on a state agency account only after fifty (50) calendar days from the date the bill was mailed. The State of California shall be responsible for notification to the Utility as to which accounts serve state agencies. The provision of the above paragraph shall apply only after such notification.

d) Late Payment Fee for Large Government Contractors

When a Customer derives majority of his/her revenue from contracts with agencies of the federal government and its aggregated monthly Utility bills are in excess of \$25,000, the customer may apply to the Utility for designation as a large government contractor. Island Energy reserves the right to perform a full credit check prior to designating a customer as a large government contractor. For accounts held by large government contractors, if full payment not postmarked or received within fifty (50) Calendar days after the bill is mailed to the Customer shall be subject to a late payment fee of three percent (3%) of the unpaid balance of the original bill and shall be subject to the Discontinuation of Service provisions in the Utility's Tariff.

8) Returned Checks

Bills paid by a check that is returned due to insufficient funds or other bank issues shall be subject to Thirty-Five (\$35.00) returned check charge. This charge will be added to the Customer's bill for each occurrence.

9) Waiving of Minimum Bills

If the Customer is unable to use the Utility's service by reason of civil protests, strikes, accidents, fires, or any cause beyond the Customer's control, the payment of the minimum charge may be waived by the Utility during the time the Customer is unable to use such service.

E. DISPUTES

1) Disputed Bill

- a) When a Customer disputes or questions their bill, they must first file a request with the Utility in writing. If the Customer believes they have been billed incorrectly, they will be required to provide the bills and a written statement supporting their belief that their bill is incorrect to:

Island Energy
995 Walnut Avenue
Mare Island, CA 94592-0001

- b) To avoid having service turned off during the dispute the Customer must enclose payment for the full amount of the bill made out to Island Energy. If the Customer is unable to pay the amount in dispute, they must inform the Utility verbally or in writing of their inability to pay. Utility service will remain on until the Utility completes its review of the Customer's bill. The Utility will review the basis of the amount billed and communicate the results of its review to the Customer within 10 working days of receipt of the Customer's statement of dispute.
- c) If it is found that the Customer's bill was not overstated by more than 2%, the Customer's payment will be disbursed accordingly.
- d) If it was found that the Customer's bill was overstated by more than 2%, the Utility will bear the cost of the investigation, and the Customer's overpayment will be promptly refunded or credited to the next month's bill, per the Customer's choice.

2) Termination When Bill is Disputed

A Customer who does not pay the full amount due, even when subject to dispute, shall be subject to the same termination for non-payment terms and conditions as any other Customer.

F. DISCONTINUANCE OF SERVICE

1) Customer's Request for Service Discontinuance

- a) When a Customer desires to terminate their service, they shall submit a service termination form to the Utility at least two (2) business days before the specified termination date. A Customer may be held responsible for all service furnished at the Premises until the date of termination specified in the service

termination form. The service termination form is available at www.islandenergy.com.

- b) In the event that a Customer terminates service under any rate schedule and re-initiates service under the same, or any other, rate schedule at the same location within 12 months, there will be a reconnection charge equal to the minimum charge which would have been billed had the Customer not terminated service.

2) Non-Payment of Bills

- a) A discontinuance of service notice for nonpayment of a delinquent account will be given in accordance with Section 5.A.2.
- b) A Customer's service may be discontinued for non-payment of a bill for service provided at any location served by the Utility if that bill is not paid in accordance with these Tariffs.
- c) If a Customer is receiving more than one service, any or all services may be discontinued when any service, regardless of location, is discontinued for non-payment.
- d) Prior to terminating service for non-payment of bills to multiple occupancy residential buildings, mobile home parks, and single-family residences where occupant is a renter, all procedures as required by law will be followed.
- e) The Utility will not terminate service to a Customer on any Saturday, Sunday, legal holiday, or at any time during which the business offices of the Utility are not accessible to the public. Service wrongfully terminated shall be restored without charge for the restoration of service, and a notification shall be mailed to the Customer at the billing address.

3) Unsafe Equipment

The Utility may discontinue service to a Customer when

- a) The Utility determines, using commonly accepted industry standards including, but not limited to, those published by the National Fire Protection Association (NFPA), Institute of Electrical and Electronic Engineers (IEEE), and the National Electrical Manufacturers' Association (NEMA), that the Premises' wiring, or other electrical equipment, or the use of either, is unsafe, or;
- b) Any governmental agency, authorized to enforce laws, ordinances, or regulations involving electrical facilities and/or the use of electricity, notifies the Utility in writing that the Customer's electrical facilities and/or use of electricity is unsafe or not in compliance with such laws, ordinance, or regulations.

4) Communications about Unsafe Equipment

- a) At the time of denial or discontinuance of service as stated in Section 4.F.2, the Utility will:

- b) Post a written notice, stating the reason for discontinuance and referring to this rule, at a conspicuous place at the Premises, or;
- c) Deliver the written notice to the occupant of the Premises in person, and
- d) Within 24 hours of service termination of service, send a copy of the written notice to the Customer at the billing address.

5) Restoration of Service

The Utility will not restore service until:

- a) The Utility determines the Customer's electrical wiring or equipment, or the use of either, has been made safe, or
- b) The Utility has received written notice from the appropriate governmental agency that the Premises meet applicable laws, ordinances or regulations. It is the Customer's responsibility to resolve any matter with the governmental agency.

6) Responsibility for Inspection

The Utility does not assume any responsibility for inspecting or repairing the Customer's wiring or other equipment or any part thereof and assumes no liability therefore.

G. CONTINUITY OF SERVICE DURING CUSTOMER TRANSITIONS

1) No Service Gaps

As a general practice, the Utility will maintain uninterrupted service whenever an outgoing customer ends service before a new customer's requested start date. Service shall remain energized unless safety or legal requirements require disconnection.

2) Revert-to-Owner (RTO) for Tenant Transitions

When a tenant requests to end service and no new tenant or property owner has requested service for the same date, the account automatically enters Revert-to-Owner (RTO) status. The property owner will be responsible for all usage and charges during the RTO period until a new customer establishes service.

3) Date of Service Transfer

When a property changes ownership and the Seller's stop-service date occurs before the Buyer's requested start date, the Utility may request the Seller and/or Buyer to provide documentation that confirms the property transfer date. The Utility may select either date provided to initiate the service transfer if proper documentation is not provided by the Buyer or Seller.

For tenancy changes, the Utility may request documentation, such as a signed lease agreement, from the property owner and/or tenant to process new service requests. New tenants should submit a New Service Request with a start date that matches their lease agreement.

- 4) Assignment of Billing Responsibility
 - a) In RTO transitions, responsibility defaults to the property owner.
 - b) In property owner transitions, such as the sale of a property, responsibility follows the legal property transfer date unless otherwise governed by law
 - c) The Utility is not responsible for disputes between tenants, owners, sellers, or buyers.

5. NOTICES

A. NOTICES TO CUSTOMERS

1) General

When notices from the Utility to a Customer are required, they will be given in writing, either mailed, as defined in Section 2 ("Mailed"), to the Customer's mailing address, or delivered to Customer's service address. In case of emergency, the Utility may give verbal notices in person or by telephone.

2) Termination of Service Notice

- a) Payment for monthly bills for service are due and payable upon receipt and will be considered late if full payment is not received by the Utility by the first day of the following month.
- b) If full payment is not received prior to the date of the next bill, a Termination of Service Notice for nonpayment of a delinquent account will be included on the next monthly bill setting forth the date for termination as the first day of the following month.
- c) A separate notice will be sent to the service address when the occupants are renters and not responsible for the Utility bill. Additional notice will include information on renter's legal rights should Utility not receive payment.
- d) When no payment has been received by the Utility prior to two days before the termination date set forth in subsection a. above a written final service termination notice shall be posted in a conspicuous place at the Premises at least forty-eight (48) hours prior to termination of service.
- e) Prior to terminating service to Multiple Occupancy Residential Buildings and Mobile Home Parks, all procedures as required by law will be followed by the Utility.
- f) The Utility reserves the right to report any delinquency of payment to any appropriate credit reporting agencies and potential new Utility providers.

3) Third-Party Notification

- a) For residential Customers who are 65 years of age or older, or who are "dependent adults" as defined in section 15610.23 of the Welfare and

Institutions Code (generally one who has physical or mental limitations that restrict his or her ability to carry out normal activities or to protect his or her rights), the Utility will attempt to notify a person designated by the Customer to receive notification when the Customer's account is past due and subject to termination.

- b) The consent of the third party shall not incur any liability for the account by virtue of the fact he or she consents to receive such third-party notification.

B. NOTICES FROM CUSTOMERS

- 1) Notices from a Customer to the Utility may be given by written communication mailed to the Utility's office, or physically delivered by the Customer, or the Customer's agent, at the Utility's office.

Any Customer may initiate a complaint or request an investigation concerning service or charges by delivering a written complaint or request setting forth all the facts necessary for the Utility to understand the nature of the complaint or request, including copies of any statements in issue.

6. ELECTRIC DISTRIBUTION SYSTEM PROJECTS

This Section is applicable to changes to electric distribution lines of the Utility's standard voltages necessary to furnish permanent electric service to Applicants.

A. STANDARDS

The Utility follows PG&E standards for primary and secondary distribution lines. The Applicant should use the PG&E Greenbook to plan, design, and engineer primary and secondary distribution line projects.

B. OWNERSHIP

The facilities installed under the provisions of this Section up to the Customer service point, shall be owned, operated, and maintained by the Utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. POINT OF CONNECTION

The Utility shall determine the point on the Utility's system from which any extension will be made.

D. PRIVATE LINES

The Utility may, at its sole discretion, serve an Applicant from connection facilities that are not owned, operated, and maintained by the Utility.

E. RIGHT OF WAY

Where new installations of, or changes to, electric distribution lines or facilities result in the need to locate such new facilities outside of Utility's existing easements, Applicant

shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide Utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication of a Public Use Easement (PUE) as part of a subdivision or other map, for the purpose of conveying to the Utility an adequate easement for the maintenance, repair and replacement of the new or relocated facilities.

If service facilities must cross property owned by a third party to serve the Applicant, it is Applicant's responsibility to obtain and transfer to the Utility appropriate rights-of-way or easements, satisfactory to the Utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the Utility.

F. ROUTE OF LINE

The length and route of a primary or secondary distribution line project will be determined or approved by the Utility based on the distance along the shortest most practical, available and acceptable route which is clear of obstructions from the Utility's nearest permanent and available distribution facility.

G. APPLICATIONS AND CONTRACTS; EXCEPTIONS

- 1) Each Applicant for a primary or secondary distribution line shall be required to submit to Utility an application defining the project along with a \$250.00 application fee. A deposit equal to 25% of the total estimated project cost is required before work begins. The remaining project costs will be invoiced on an ongoing basis until the full project cost has been collected. A late penalty equal to 10% of the total invoice amount will be assessed on any customer project invoice not paid by the stated due date.
- 2) Applicant shall execute a Customer Contract, if needed, prior to the Utility approving and participating in the project.
- 3) In the event a project for a primary or secondary distribution line has an estimated overall cost of \$25,000 or less, a Customer Contract may not be required given the following conditions are met:
 - a) The Applicant signs a short-form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify Utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, and
 - b) The Utility is to conduct all the work necessary for completion of the project, including the design and installation of all new facilities, and
 - c) No transfer of title to facilities or easements is required.
- 4) Customer and Utility may agree that Utility shall conduct all the work necessary for completion of the project, including the design and installation of all new facilities.
- 5) If the Utility is to conduct all the work as set forth under Section 6.G.3, Applicant shall remain responsible for all costs and expenses incurred by Utility. Further, Sections 6.H.2 through H.9 shall not apply.

H. APPLICANT RESPONSIBILITIES FOR NEW DISTRIBUTION FACILITIES

Applicant is responsible for providing or installing the following items at Applicant's expense by Qualified Personnel, as defined herein, prior to the Utility finalizing a primary or secondary distribution line, accepting dedication of the facilities, and connecting them to the Utility's facilities:

- 1) All necessary information to the Utility in order for the Utility to design the new, relocated or expanded facilities, including but not limited to improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any item that requires approval of the City of Vallejo must be approved before any construction begins. Where Utility agrees to allow Applicant to design the facilities, Applicant shall provide sufficient and accurate information to allow Utility to review and approve the design.
- 2) Coordination in joint trench planning and engineering with Qualified Personnel in conformance with Utility standards.
- 3) All necessary trenching, back filling, and other digging as required, subject to Utility inspection.
- 4) All substructures and conduits, subject to Utility inspection.
- 5) All poles and superstructures, subject to Utility inspection.
- 6) All wiring, cabling, switches, transformers, and other electrical equipment, all of which is to be installed by Qualified Personnel, and performed to the Utility's standards, and are to be subject to Utility inspection. The Applicant shall prepare the electrical connection to the Utility's facilities, but, will not make the final connection to the Utility's facilities.
- 7) All protective structures set forth in the Utility's standards, subject to Utility inspection.
- 8) All manufacturers' warranties commensurate with the Utility's standards, including a one-year warranty on all workmanship and normal operations on newly installed facilities.

Qualified Personnel shall mean personnel who:

- (i) Are technically competent to perform the work;
- (ii) Have access to, and utilize the proper equipment to perform the work;
- (iii) Have demonstrated financial responsibility commensurate with the scope of the work to be performed;
- (iv) Have adequate insurance coverage, such as workers compensation, liability and property damage;
- (v) Furnish a surety bond for performance of the work if required;
- (vi) Are licensed in California for the work being performed;

- (vii) Are properly qualified for specific skills required including, but not limited to, the State of California High Voltage Safety Orders (Title 8, Chapter 4, Subchapter 5, Group 2); and
- (viii) Comply with applicable laws including, but not limited to, Equal Opportunity Regulations, OSHA, and EPA.

I. UTILITY RESPONSIBILITIES FOR NEW DISTRIBUTION FACILITIES

The Utility will, at Applicant's expense:

- 1) Specify the point, or points, on the Utility system from which Applicant will extend distribution lines.
- 2) Design the distribution facilities such that they conform to the standards of the Utility as well as all applicable federal, state and local codes and ordinances for Utility installations (such as, but not limited to, the California Business and Professions Code). Where Utility agrees to allow Applicant to design the facilities, Utility shall review and approve the design submitted by Applicant.
- 3) Inspect facilities installed by Applicant.
- 4) Connect conductors to the Utility's facilities.
- 5) Make any necessary arrangements of the Utility's facilities to accommodate connection of Applicant's facilities.
- 6) Perform final testing prior to acceptance of the facilities.
- 7) Invoice Applicant on a monthly basis for all appropriate Utility costs incurred, as defined herein, as the project is worked on and completed, with a final invoice upon completion. If project is expected to be or a duration of sixty (60) days or less, Utility may choose to bill Applicant for all costs with a single final invoice upon completion.

J. DEDICATION OF FACILITIES

Upon acceptable testing and acceptance by Utility of the facilities for use in distribution of electricity, ownership of all such facilities shall be transferred to the Utility by a bill of sale.

K. REIMBURSEMENT POLICY IN NEW COMMERCIAL DEVELOPMENT

Utility will provide a monetary reimbursement to an Applicant who is a Qualified Developer for a percentage of those Eligible Expenses associated with and incurred in the construction and placement of new electrical transmission or distribution system or systems which result New Permanent Load in excess of 150,000 kWh per month averaged over a 12-month period, in amounts stated in Rate Schedule NCE.

Such electrical transmission and/or distribution systems may serve commercial and industrial Utility customers or may be constructed to serve Mixed Use Residential /

Commercial Development. Section K above applies to purely residential construction whereas in this Section L includes mixed Use Residential/Commercial Development.

In addition, any reimbursement under this Section L shall be subject to the following:

- 1) Such reimbursements are subject to submission of approved Granting of Easement Applications, execution of a Customer Contract, Utility acceptance of the electrical systems, transfers of facilities to the Utility, dedication or grant of necessary easements to Utility and such other applicable terms and conditions set forth in these Tariffs.
- 2) Nothing herein is intended to provide for multiple reimbursements, and reimbursable amounts contributed to or advanced to an Applicant under conditions of any other rule will be reimbursed in accordance with the provisions of that rule only. There shall be no duplicating reimbursements under these Tariffs. If reimbursement is obtained under either Section 6.K or 14.D no reimbursement can be provided hereunder. Reimbursements under the various sections are mutually exclusive.
- 3) When two (2) or more parties make joint contributions or advances on the same new electrical transmission and/or distribution system, reimbursements will be distributed to these parties in the same proportion as their individual contributions or advances bear to the total Eligible Expenses.
- 4) Any determination by the Utility as to what constitutes an Eligible Expense shall be final and binding on all Applicants. Any relocation or rearrangement of Utility's existing facilities, at the request of an Applicant, shall be at the Applicant's expense or reimbursable under Section 14D.

L. UTILITY EXPENSE; CONTRACT LABOR AND OVERHEAD

All costs and expenses incurred by the Utility under Section 6 herein shall be fully reimbursed to the Utility by Applicant as such charges are incurred and billed for by the Utility. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

7. CUSTOMER SERVICE CONNECTIONS

This Section is applicable to the connection of new Customers to the Utility's distribution system at standard Utility primary and secondary voltages necessary to furnish electric service to Applicant.

A. STANDARDS

The Utility follows PG&E standards for primary and secondary distribution lines. The Applicant should use the PG&E Greenbook to plan, design, and engineer primary and secondary distribution line projects.

B. OWNERSHIP

The facilities installed under the provisions of this Section up to the Customer service point, shall be owned, operated, and maintained by the Utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. PRIVATE LINES

The Utility may, at its sole discretion and under certain terms and conditions, sever an Applicant from connection facilities that are not owned, operated, and maintained by the Utility.

D. RIGHT OF WAY

Where new installations of, or changes to, electric distribution lines or facilities result in the need to locate such new facilities outside of Utility's existing easements, Applicant shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide Utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication of a PUE as part of a subdivision or other map, for the purpose of conveying to the Utility an adequate easement for the maintenance, repair and replacement of the new or relocated facilities.

If service facilities must cross property owned by a third party to serve Applicant, it is Applicant's responsibility to obtain and transfer to Utility appropriate rights-of-way or easements, satisfactory to the Utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the Utility.

E. TEMPORARY SERVICE

Facilities for temporary service shall be installed in accordance with Section 7. The Applicant shall be responsible for all costs related to the design, installation and removal of requested facilities.

F. APPLICATIONS AND CONTRACTS; EXCEPTIONS

- 1) Each Applicant for a Customer connection shall be required to submit to the Utility for its consideration and approval an application defining the project along with a customer project application fee in the sum of Two Hundred Fifty Dollars (\$250.00), after which the Applicant shall execute a Customer Contract prior to the Utility approving and participating in the project.

A minimum deposit equal to 25% of the total estimated project cost is required before work begins. The remaining project costs will be invoiced on an ongoing basis until the full project cost has been collected.

A late penalty equal to 10% of the total invoice amount will be assessed on any customer project invoice not paid by the stated due date.

- 2) In the event a project for a Customer connection has an estimated overall cost of \$25,000.00 or less, a Customer Contract may not be required provided,

- a) The Applicant signs a short form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify Utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, and
 - b) The Utility is to conduct all of the work necessary for completion of the project, including the design and installation of all new facilities, and
 - c) No transfer of title to facilities or easements is required.
- 3) Applicant and Utility may agree that Utility shall conduct all the work necessary for completion of the project, including the design and installation of all new facilities.
 - 4) If the Utility is to conduct all the work as set forth under Section 7.F.2 or F.3, Applicant shall remain responsible for all costs and expenses incurred by Utility. Further, Sections 7.I.2 through I.9 shall not apply.

G. OBLIGATION OF CUSTOMER TO PROVIDE ACCESS

- 1) The Applicant / Customer shall be responsible for providing the Utility with ready access to the Premises.
- 2) The Utility shall at all times have the right to enter and leave Applicant's / Customer's Premises for any purpose connected with the furnishing of electric service. The purposes include, but are not limited to, meter reading, inspection, testing, routine repairs, replacement, maintenance, emergency work, and the exercise of any and all rights secured to it by law, or under the Utility's Tariffs.
- 3) If the Utility determines that its access to Premises is impaired then the Applicant/Customer will at their expense either correct the access or clearance infractions or pay the Utility its costs to relocate the facility to a new location which is acceptable to the Utility. Applicant/Customer will be responsible for the expense of such relocation along with any expense that is incurred in relocating non-Utility facilities. Failure to comply with corrective measure within 30 calendar days of notification by the Utility can result in discontinuance of service.

H. CONNECTIONS TO UTILITY EQUIPMENT

Only Utility staff authorized by the Utility are allowed to connect or disconnect service conductors to or from the Utility's facilities, remove meters, remove the Utility owned facilities, or perform any work upon the Utility owned facilities. Failure to abide by this provision may result in discontinuance of service and may result in additional legal actions taken by the Utility.

I. APPLICANT RESPONSIBILITIES FOR SERVICE INSTALLATION

Applicant is responsible for providing and installing the following items at Applicant's expense by Qualified Personnel, conforming to the Utility's standards prior to the Utility connecting the Customer to the Utility's facilities:

- 1) All necessary information to the Utility in-order for the Utility to design the new, relocated or expanded facilities. Such information may include but is not limited to,

improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any item that requires approval of the City of Vallejo must be approved before any construction begins.

- 2) Coordination in joint trench planning and engineering with Qualified Personnel in conformance with Utility standards.
- 3) All necessary trenching, back-filling, and other digging as required, subject to Utility inspection.
- 4) All substructures and conduits, subject to Utility inspection.
- 5) All poles and superstructures, subject to Utility inspection.
- 6) All wiring, cabling, switches, transformers, meter bases and other electrical equipment required to complete the connection of the Applicant's facilities to the Utility's distribution system, subject to Utility inspection. The Applicant shall prepare the electrical connection to the Utility's facilities but will not make the final connection to the Utility's facilities.
- 7) All protective structures set forth in the Utility's standards, subject to Utility inspection.
- 8) All manufacturers' warranties commensurate with the Utility's standards, including a one-year warranty on all workmanship and normal operations on newly installed facilities.
- 9) Provide the Utility with evidence that all required local government inspections have been satisfactorily cleared before requesting connection.

J. UTILITY RESPONSIBILITIES FOR SERVICE INSTALLATION

The Utility will, at Applicant's / Customer's expense:

- 1) Determine the point on the Utility's system at which the connection will be made.
- 2) Design the distribution facilities such that they conform to the standards of the Utility as well as all applicable federal, state and local codes and ordinances for Utility installations (such as but not limited to the California Business and Professions Code).
- 3) Inspect facilities installed by Applicant / Customer.
- 4) Connect conductors to the Utility's facilities.
- 5) Make all necessary arrangements for the Utility's facilities to accommodate connection of Applicant's facilities.
- 6) Invoice Applicant on a monthly basis for all Utility costs incurred as the project is worked on and completed. All invoices shall include a detailed breakdown for the costs incurred.

K. DEDICATION OF FACILITIES

Upon acceptable testing and acceptance by the Utility of the facilities for use in distribution of electricity, ownership of all such facilities shall be transferred to the Utility.

L. METERING FACILITIES

1) General

The Applicant is responsible for the installation of a meter base that meets the Utility's standards and that will accommodate a Utility meter(s) unless the service connection was installed by the Utility.

The Utility will meter the delivery of all electric power and energy, unless otherwise provided for in the Utility's Tariffs.

All Utility meters and associated metering equipment shall be located at some protected location on the Applicant's Premises as approved by the Utility.

The load served at each meter location shall be clearly designated by the Customer. Load served behind one meter may not be transferred to be served by another meter unless the Customer received prior Utility approval.

2) Number of Meters

A single meter is required for each single enterprise operating in one building or group of buildings or other development on a single Premises such as, but not limited to, a commercial business, school campus, industrial manufacturer, residence, or recreational vehicle or mobile home park, unless otherwise approved by the Utility.

The Utility will normally install only one meter for each Premises except:

- a) When otherwise required or allowed under the Utility's rate schedules,
- b) When determined by the Utility, for its operating convenience to be consistent with its engineering design,
- c) When required by law or local ordinance; or,
- d) When additional services are granted by the Utility.

3) Master Metering

Master metering may be approved if, in the determination of the Utility, master metering is in the best interest of the parties involved. However, if the master meter Customer sub-meters and furnishes electricity to individual tenants, the rates and charges to the tenant must not exceed those charges that would apply if the tenant were purchasing electricity directly from the Utility.

4) Multiple Occupancies

In a building with two or more tenants, or where the Utility furnishes more than one meter on the same Premises, the Utility's meters shall normally be grouped at one central location or as otherwise specified by the Utility. In such cases each meter position or socket shall be clearly and permanently marked by the Applicant, Customer, or owner of the Premises to indicate the particular unit, occupancy, or load supplied by it.

M. REQUIRED CONNECTION EQUIPMENT

The Applicant, or Customer, shall, at their sole liability, risk and expense, is responsible to furnish, install, own, maintain, inspect, and keep in good and safe condition, all facilities of any kind or character on Applicant's or Customer's Premises that is not the responsibility of the Utility but are required for the Applicant or Customer to receive service. Such equipment shall include but not be limited to termination equipment, conduits, conductors and all equipment within all buildings, connectors, meter bases and sockets, relays, meter and instrument transformer housing, service switches, circuit breakers, fuses, wire ways, metered conductors, machinery and apparatus of any kind or character.

N. COORDINATION

When, as determined by the Utility, Applicant's or Customer's load is of sufficient size as to require coordination of response time characteristics between electrical devices (circuit breakers, fuses, relays, etc.), it will be the Applicant's responsibility to provide such coordination.

O. LIABILITY

The Utility shall incur no liability for damage, loss or injury occasioned by:

- 1) Applicant or Customer owned equipment in support of Applicant's or Owner's transmission and delivery of energy, or;
- 2) The active or passive negligence, omission of proper protective devices, want of proper care, or wrongful act of Applicant or Customer or any of Applicant's or Customer's agents, employees or licensees in installing, maintaining, using, operating or interfering with the Utility's equipment.

P. FACILITY TAMPERING

The Applicant or Customer shall provide a suitable means acceptable to the Utility for placing the Utility's seals on meter rings and covers of service enclosures and instrument enclosures that protect unmetered and energized conductors. Only Utility authorized employees shall be authorized to break such seals once installed. However, in an emergency the Utility may allow a public authority or other appropriate party to break the seal.

Any unauthorized tampering with Utility seals or connection of Applicant or Customer owned facilities to unmetered conductors is prohibited and is subject to discontinuance of service and a fine of a hundred thirty-five dollars (\$135.00) for facility tampering.

Q. BUILDING CODE REQUIREMENTS

Any service equipment and other related equipment owned by the Applicant or Customer as well as any vault, room, enclosure, or lifting facilities for the installation of the Utility equipment, shall conform to applicable laws, codes, and ordinances of all governmental authorities having jurisdiction.

R. REASONABLE CARE

Applicant or Customer shall exercise reasonable care to prevent the Utility's electrical equipment and related facilities that are located on the Applicant's or Customer's Premises from causing or suffering damage, destruction or interference, and will inform the Utility of any such potential or actual damage, destruction or interference immediately. Applicant or Customer may be required to install protective devices, including a mechanical protection (barrier posts, etc.), suitable to the Utility if the Utility deems it appropriate.

Applicant or Customer must also install any protective devices necessary to protect itself and third parties from suffering injury or damage from, or causing damage to, the Utility's electrical equipment and related facilities. However, Utility reserves the right to require modification or removal of such protective devices if such protective devices interfere with Utility's provision of services or control of Utility's facilities.

S. GOVERNMENT INSPECTION

The Utility will only establish service to the Applicant or Customer following notice from government authority having jurisdiction that the facilities have been installed and inspected in accordance with any applicable laws, codes, ordinances, rules or regulations, and are safe to energize.

T. DAMAGED FACILITIES

When others damage the Utility's facilities, the repair will be made by the Utility at the expense of the party responsible for the damage. Applicants and Customers are responsible for repairing their own facilities.

U. RELOCATIONS AND REARRANGEMENTS

The Customer shall be responsible for the costs incurred by the Utility for any relocation or rearrangement of Utility equipment that is the result of any work conducted, or caused to be conducted by the Customer within the Utility's service territory. Any change to the Utility's system required under this section will be subject to the application and construction process described in Section 6 as applicable.

V. LOAD INCREASES

The Customer shall be responsible for the costs incurred by the Utility to meet any load increase at the Customer's facilities, plus any repair of any damage suffered due to the Customer overloading the Utility's equipment.

W. UTILITY EXPENSE; CONTRACT LABOR AND OVERHEAD

All costs and expenses incurred by the Utility under Section 7 shall be fully reimbursed to the Utility by the Customer. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

8. NON-STANDARD / SPECIAL UTILITY FACILITIES

A. GENERAL

Special Facilities are considered to be existing, enlarged or new facilities installed, used and/or maintained by the Utility at the Applicant's request in addition to, as enlargements of, as an alternative to, or in substitution for, the standard facilities which the Utility would install, maintain or use and which impose additional costs to the Utility.

These facilities can include but are not limited to; power quality conditioning equipment, peaking equipment, Customer connection costs, installation and/or maintenance of facilities downstream of the meter, facilities where the cost is in excess of the standard connection costs, and alternate service equipment.

Except where provided by rate schedule, installation and/or maintenance of special facilities will be made at the Utility's option, provided the type of special facilities requested is acceptable to the Utility and the Utility agrees to the installation and/or maintenance of the special facilities, under the conditions set forth in this Section.

B. CUSTOMER STATUS

A Temporary Service customer will not be eligible to apply for Special Facilities.

C. UTILITY LIMITATIONS

The Utility shall install or/and maintain the requested facilities as long as the facilities do not pose, in the determination of the Utility, a hardship on the Utility.

D. BASIS OF COST

The Applicant is required to execute a contract with the Utility for installation and/or maintenance of Special Facilities. In addition to providing for the payment of charges as determined under Rate Schedule CPS, the contract will provide for the following:

An estimate of the cost of the special facility that the Applicant is requesting the Utility to install and/or maintain; and,

An up-front payment for the estimated cost of equipment and materials that need to be purchased for these special facilities.

E. PAYMENT SCHEDULE

At the mutual agreement of the Utility and the Customer, a contract may be entered into that will provide charges and fees established by to Rate Schedule CPS. .

F. CONTRACT RESPONSIBILITIES

If the Utility is required to alter or rearrange the Special Facilities, including but not limited to the conversion of overhead facilities to underground, Applicant shall be

notified of such necessity and shall be responsible for all costs the Utility incurs in converting this service or shall terminate service under this agreement.

G. OWNERSHIP OF EQUIPMENT

At all times, Special Facilities shall remain the property of the Utility.

H. TERMINATION PROVISIONS

The Applicant may terminate a Special Facility contract upon thirty (30)-day notice to Utility unless otherwise specified in the contract between the Customer and the Utility.

9. METER TESTS AND ADJUSTMENTS OF BILLS

A. GENERAL

When regular, accurate meter readings are not available or the electric usage has not been accurately measured, the Utility may estimate the Customer's energy usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use and the general characteristics of the Customer's load and operation.

B. METER TESTS

Any Customer may, upon not less than 15 business days' notice, require the Utility to test the accuracy of any meter through which service is provided to the Customer. If the meter test finds that the meter in question is operating accurately, the Customer shall be charged for a meter test fee of \$55.00 once the result is concluded and the result is provided to the customer. .

The Customer shall have the right to require the Utility to conduct the test on the meter serving that Customer in the Customer's presence, or in the presence of an expert or other representative appointed by the Customer at the time of the request for a meter test.

All meters will be tested at the time of their installation, and no meter will be placed in service or allowed to remain in service that has an error in registration in excess of 2% under conditions of normal operation.

C. ADJUSTMENT OF BILLS FOR METER ERROR

A meter error is incorrect kilowatt-hour, kilovar-hour, or demand registration resulting from a malfunctioning or defective meter. It does not include billing errors, unauthorized use, or an error in registration caused by meter tampering by an unauthorized person.

Meter error also does not include conditions such as grounds, shorts, incorrect meter readings, meter dial-overs, improper load wiring (including other Customers' circuits

connected to the wiring), accounting errors, switched meters, improper Customer wiring, blown fuse in one energized conductor, or incorrect meter sizing.

Where meter error is discovered as the result of a meter test initiated by either the Customer or the Utility, the Utility may render an adjusted bill to the Customer for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, computed back to the date that the Utility determines the meter error commenced, except that the period of adjustment shall not exceed one year.

D. ADJUSTMENT OF BILLS FOR BILLING ERROR

A billing error is an error by the Utility that results in incorrect billing charges to the Customer. Billing errors may include incorrect meter reads or clerical errors by a Utility representative such as applying the wrong rate, wrong billing factor, or an incorrect calculation. Billing error does not include meter error or unauthorized use, nor any error in billing resulting from meter dial-over caused by other than the Utility, switched or mismarked meters by other than the Utility, inaccessible meter, failure of the Customer to notify the Utility of changes in the Customer's equipment or operation, or failure of the Customer to take advantage of a rate or condition of service for which the Customer is eligible.

Where the Utility overcharges or undercharges a Customer as the result of billing error, the Utility may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, for the period of the billing error, but not exceeding one year.

E. ADJUSTMENT OF BILLS FOR UNAUTHORIZED USE

Unauthorized use is the use of energy in noncompliance with the Utility's Tariffs or applicable law. It includes, but is not limited to, meter tampering, unauthorized connection or reconnection, theft, fraud, intentional or unintentional use of energy whereby the Utility is denied full compensation for electric service provided.

Where the Utility determines that there has been unauthorized use of electric service, the Utility may bill the Customer for the Utility's estimate of such unauthorized use. Such estimated billing shall indicate unauthorized use for the most recent three (3)-years, plus a minimal fine of \$135.00 for unauthorized uses of the Utility's facilities.

F. LIMITATION ON ADJUSTMENT OF BILLS FOR ENERGY USE

For any error in billing not defined as billing error, meter error, or unauthorized use, the Utility is not required to adjust the bill. However, any billing adjustment not specifically covered in the Tariffs for an undercharge or overcharge shall not exceed one year.

G. INTEREST ON BILLS FOR UNAUTHORIZED USE

The Utility will bill and collect interest at a rate which is the lesser of eighteen (18) percent per annum on unauthorized use billings from the date the unauthorized use

commenced, or the maximum interest allowed by law, as well as on any amortized repayment agreements.

H. RECOVERY OF ASSOCIATED COSTS FOR UNAUTHORIZED USE

The Utility will bill and collect the associated costs resulting from the unauthorized use including, but not limited to, investigation, repair and equipment damage costs.

10. SUPPLY TO SEPARATE PREMISES AND RESALE

A. SEPARATE METERING

Separate Premises, even though owned by the same Customer, will not be supplied through the same meter, except as may be specifically provided for in the rate schedules.

B. MARINAS AND SMALL CRAFT HARBORS

The Utility will furnish electrical service to a privately or publicly owned marina or small craft harbor through a master-meter. The master-meter Customer may sub-meter tenant usage aboard a vessel moored in an individual boat slip or berth at the marina or harbor but may not sub-meter any other tenant usage (e.g., stores, gas pumps on docks, or any land-based facility).

If the master customer sub-meters and furnishes electricity to individual boat slips or berths for tenant usage aboard a vessel, the rates and charges to the tenant must not exceed those charges that would apply if the tenant were purchasing electricity directly from the Utility.

C. OTHER USES AND PREMISES

A Customer shall not furnish or use electricity received from the Utility upon other Premises, except for the Utility's operating convenience, or for other purposes than those specified in the Customer's application for service or in the applicable rate schedule.

Sub-metering of electricity is prohibited except as provided for in this Section.

In the event that electricity is sub-metered other than as provided for in this Section, the Utility may either discontinue service to the Customer or furnish electricity directly to the sub-metered entity at the Utility's option.

11. SPECIAL SERVICES AT CUSTOMER'S REQUEST

A. SPECIAL SERVICES AT CUSTOMER'S REQUEST

The Customer may, at its discretion, request the Utility, and the Utility, at its discretion, may perform an investigation of the Customer's electrical system on the Customer's side of the meter. Any such investigation shall be conducted at a fee in accordance

with rate schedule MISC. The Customer shall be informed of an estimate of these fees in advance of the investigation.

- 1) For analysis of electrical demand and consumption profile, the fee for investigation of customer meter data, usage analysis and reporting, depends on the time needed and the extent of the investigation. Customers who request such services will be charged in accordance with rate schedule MISC, but each investigation shall not exceed One Hundred dollars (\$100.00) for residential and Five Hundred dollars (\$500.00) for commercial per investigation. A meter test fee may apply, if applicable.

12. DEPARTING LOAD – INVESTMENT RECOVERY CHARGES

A. GENERAL

The provisions under this Section describe the Utility's' right to recover the cost of its stranded investments (Investment Recovery Charges – "IRC's") incurred for the benefit of Customers who were served by the Utility but have ceased Utility Service by means of third-party electric supply or self-generation ("Departing Load").

B. PURPOSE

The purpose of this Section is to ensure that the repayment of certain major expenses incurred by Utility in reliance on the committed Customer load at the Starting Date and the anticipated load growth due to the redevelopment of Mare Island do not shift to the remaining Customers as a result of a withdrawal from service in whole or in part by a Customer or group of Customers.

The provisions under this Section shall be applicable to Customers who were served by the Utility on or after August 2nd, 2008 ("Starting Date"), but have commenced receiving all or a portion of their electrical load from energy supply parties other than Island Energy, or self-generation by cogeneration, renewable technologies or any other type of self-generation that is dedicated wholly or in part to serve all or a portion of a Customer or group of Customers' load while the Customers physically located at the same location or remain within Island Energy's service area on or after August 2nd, 2008.

C. IRC COMPONENT DEFINITIONS

"Investment Recovery Charges" (IRC's) consist of the following components:

1) Outstanding Power Purchase Costs ("OPPC")

OPPC represent the difference between the resource costs under the power purchase contract in existence on the departure date and the market price as determined under section 6 below.¹ These are commitments that were entered into during the period of time the Departing Load Customer was served by the Utility

¹ Negative values shall not be taken into consideration.

and that extended beyond the last day of service to the Departing Load Customer (“Departure Date”).

2) Capital Improvement Debt (“CID”)

CID represents the costs of capital projects that the Utility undertook to develop infrastructure to serve Customers during the period of time the Departing Load Customer was served by the Utility. The cost of the CID is calculated by dividing the cumulative debt incurred by the Utility for such projects by the anticipated load for the area.²

3) Operational Financial Assistance (“OFA”)

OFA are those financial assistances from Pittsburg Power Company made necessary to support Island Energy’s on-going operation and to provide safe and reliable services to Customers during periods of time when these necessary expenses were not covered by the revenues received by Utility and the Departing Load Customer was served by the Utility.

4) Public Benefits Program (“PBP”)

The PBP charge is a usage-based and non-bypassable charge required by law to support energy related Public Benefits Programs in energy efficiency, renewable technology, low-income and RD&D that might not otherwise be Funded.

D. DEPARTING LOAD AGREEMENT

Departing Load Customers shall sign a Departing Load Agreement with the Utility at least fifteen (15) business days before the Date of Departure. The Utility shall provide the Departing Load Agreement to the Customer after the receipt of the Notice of Departure. Whether a Departing Load Customer signs the Departing Load Agreement or not, such Customer will be deemed to have agreed to the terms of the Departing Load Agreement and terms stated in this Tariff by taking retail service from the Utility on or after August 2nd. 2008.

E. NEW OCCUPANCY IN DEPARTING LOAD PREMISES

When a Departing Load Customer moves to a new location outside the Utility’s service area as it existed on or after August 2nd, 2008, the obligation of the Investment Recovery Charges to that Customer will cease. New occupants who move into the Utility’s service area and resume such services from sources other than Island Energy will be subject to the IRC.

F. DEPARTING LOAD METER DATA

² Area is broken down into the north island and the south island, the dividing line being G Street. Capital improvement projects undertaken for the sole benefit of the north island shall be reimbursed by north island customers only. I.E. Section 6.L. Otherwise the “Area” will be defined as the entire service area for Island Energy.

The Departing Load Customer's OPPC, CID, OFA and PBP obligations will be calculated based on metered consumption. Customers shall provide meter consumption data to the Utility after the Customer's load is served by sources other than the Utility; subject to the Utility's verification to assure reliability of such consumption data and/or information.

- 1) If metered consumption is not available, then the Departing Load Customer's monthly consumption estimates will be based on the Customer's historical load by one of the following methods:
- 2) For Departing Load Customers with a load history less than 12 months prior to receipt by the Utility of the Notice of Departure, the average of previous usage history will be used to project future consumption.
- 3) For Departing Load Customers with a minimal 12-month load history, the average of the 12-month period prior to the receipt by the Utility of the Notice of Departure will be used to project future consumption.
- 4) For Departing Load Customers with 36 months or more of usage history, the average 12-month energy usage, with such average measured over the prior 36 months of usage, will be used to project future consumption.
- 5) In the event the 12-month average usage differs from the 36-month average usage by more than 25%, the 36-month average will be used unless there is sufficient evidence to demonstrate that the 12-month usage is more indicative of the Customer's future electric usage, and then the 12-month average will be used to project the Customer's future electric requirement.

G. INVESTMENT RECOVERY CHARGES CALCULATION

1) Outstanding Power Purchase Costs

OPPC is the monetary difference per kWh between power purchase price under committed contracts in effect as of the Departure Date and the Market Price Benchmark as determined pursuant to Section 4.B. The OPPC of Departing Load is calculated by multiplying the Customer's monthly consumption by the monetary difference between the Utility's applicable utility rates and market price benchmark per kWh. In the event that the OPPC calculation results in a value less than zero it will not be factored into the total calculation for the IRC.

2) Capital Improvement Debt

The annual debt service requirement on CID is determined by amortizing capital improvement expenditures at the prevailing interest rate. The applicable annual debt service requirements will be divided by the annual forecasted consumption on the anticipation of serving all Customers in the Utility service area. The CID charge will be posted in Island Energy's Tariff by July 1st of each fiscal year. The actual collection of debt service will be reconciled against the repayment schedule of CID. Charges or credits will be absorbed in the following year's repayment schedule.

3) Operational Financial Assistance

The OFA repayment obligation of the Departing Load Customer shall be calculated by dividing the annual debt service requirement for the OFA on the Departure Date by the annual forecasted consumption by all Customers in the Utility service area. The OFA charge will be based on a per kWh amount and will be posted in the Utility's Tariff by July 1st for each fiscal year. The actual collection of debt service will be reconciled against the repayment schedule of OFA. Charges or credits will be absorbed in the following year's repayment schedule.

4) Public Benefits Programs

The collection of PBP Fee from Island Energy's Customers is a state requirement. The current rate is 2.85% of Island Energy's total electric revenue. The Public Benefit Program charge per kWh is calculated based on the Utility's annual forecasted sales and revenue requirement.

5) Total Investment Recovery Charge

The Total IRC, expressed as dollars per MWh, will be the summation of the OPPC, CID, OFA and PBP charges and multiplied by the Customer's average load as determined pursuant to Section F.

H. PAYMENTS AND COLLECTIONS

1) Payments

Upon departing the Utility, Departing Load Customers are obligated to make monthly payments to the Utility over the duration of the IRC. The duration will be determined by the outstanding debts that the Utility incurred to provide safe and reliable services and its amortization schedule. The Utility will issue monthly bills in accordance with the provisions of this Schedule. Customers shall pay to the Utility within twenty (20) business days of receipt of the bill. Failure to pay monthly IRC payments constitutes a violation of this Tariff and breach of the Customer's obligation to the Utility. Opportunity to cure this breach is described in Section I.

2) Procedures for Implementation

Departing Load Customers are obligated to notify the Utility of their intent to discontinue or reduce Utility electric service in accordance with the following procedure:

A Departing Load Customer shall notify the Utility at least Thirty (30) business days in advance in writing of its intent to displace all or a portion of its load with service from another Utility (the "Notice of Departure") or, in the event of a reduction in load as a result of participating in the Solar Incentive Program notice will be deemed complete upon commencement of generation). The Departing Load Customer shall specify in its Notice of Departure the following:

- a) The date on which the Customer will reduce or discontinue its electric service ("Date of Departure");
- b) A description of the load that will be displaced;

- c) The name of the other Utility or source from which the Departing Load Customer will acquire its electricity; and
- d) The Departing Load Customer should choose whether they will provide metered consumption data to the Utility on a monthly basis or their average monthly consumption will be determined by the stated billing determinants as described in Section F. At the Departing Load Customer's election, metered data can be used on a prospective basis.

I. DISPUTES / OPPORTUNITY TO CURE

1) Opportunity to Cure

Failure to provide a Notice of Departure including all the elements specified above, or a failure to make two consecutive IRC payments hereunder will constitute a violation of this Tariff and a breach of the Customer's obligations to the Utility. Utility will provide a notice of the violation to the Customer, specifying the Customer's failure to comply with this Tariff and providing the Customer with thirty (30) business days to act to cure the breach as defined below.

- a) If the breach was a failure to provide a written Notice of Departure to the Utility Thirty (30) business days in advance, the Departing Load Customer is subject to a five hundred dollars (\$500.00) fine and will be required to pay a deposit equal to two monthly IRC payments.
- b) If the breach was a failure to pay two consecutive monthly IRC payments, to cure the breach the Customer must pay all delinquent monthly IRC payments plus a deposit equal to two monthly IRC payments.
- c) The Utility will apply the deposit to the Customer's outstanding IRC balance and refund any remaining balance when the Departing Load Customer's obligation to the Utility expires.

2) Demand for Lump Sum IRC Payment

If the Customer does not cure the breach and pay the deposit as described in Section 7.I.3 the Utility may issue a demand for a Lump Sum Payment of the unpaid IRC responsibility.

The amount of the Lump Sum Payment should be equal to the summation of respective net present values of all applicable OPPC, CIID, OFA and PBP payments over the IRC repayment period.

3) Enforceability

If a Departing Load Customer fails to honor the demand for Lump Sum Payment of for the unpaid IRC responsibility within thirty (30) business days of issuance, the Utility shall be entitled to enforce this obligation by filing suit to enforce this Tariff in any court of competent jurisdiction and recover its costs and attorneys' fees incurred.

4) Dispute Resolution

Departing Load Customers may request an adjustment to the Investment Recovery Charges or an investigation into their determination.

Any Departing Load Customer whose request for an adjustment or request for an investigation that has resulted in an adverse determination may appeal the determination within ten (10) business days from the date of the notice of the adverse determination to the Utility's Board of Directors by letter (Notice of Appeal) setting forth the basis for the appeal and the facts to be considered by the Board at the time of the hearing.

A date for the hearing on the appeal will be calendared within fifteen (15) business days following the date of receipt of the Notice of Appeal. The date of the hearing shall be no later than forty-five (45) business days from the date of receipt of the Notice of Appeal. Any determination by the Board shall be final.

13. SPECIAL PROGRAMS

A. CALIFORNIA PUBLIC BENEFITS PROGRAM

1) General

AB 1890 is California's comprehensive electric restructuring legislation which became effective on September 23, 1996. The passage of AB 1890 deregulated the electricity industry and established broad Funding and allocation guidelines to support statewide Public Benefits Program in energy efficiency, renewable technology, low-income and RD&D that might not otherwise be Funded in a more competitive environment. Public Utilities Code Section 385 requires all Publicly Owned Utilities (POUs) shall establish a non-bypassable, usage-based charge on local distribution service to fund investments in four areas:

- a. Cost-effective demand-side management to promote energy efficiency and energy conservation
- b. New Investments in renewable energy resources
- c. Research and development to advance science or technology not adequately provided for in markets
- d. Services for low-income customers, including, but not limited to, rate discounts and energy efficiency.

2) Island Energy Public Benefits Fund Programs

The Pittsburg City Council, acting as the Governing Board of the Utility by resolution No. 07-177, has approved the establishment of Island Energy Public Benefits Fund on December 1, 2007. The requirement of Public Benefits Program is 2.85% of Island Energy's total electric revenue requirement.

The Public Benefits Fund charge shall appear as a separate line item on the Utility bills. The charge is collected based on kilowatt-hour usage from all Customers receive electric services from Island Energy. The Governing Board of the Utility has discretion in the design and expenditure of its Public Benefits Fund Programs that reflects the Utility needs as long as the programs align within the four statutory categories listed in 13A1(a)-13A1(d). .

The Island Energy Public Benefits Funds will be used to support the following programs:

a) Residential Energy Advisory Services Program

Island Energy provides free on-site residential energy audit services on how to conserve energy and improve energy efficiency.

b) Residential Lighting Program

Island Energy promotes high efficiency by providing compact LED light bulbs to residential and commercial customers in order to increase the utilization of high

efficiency lighting products. Island Energy will provide up to five (5) LED light bulbs per Customer per year on first come first serve basis.

c) Appliance Efficiency Program

Island Energy offers rebates for Energy Star-rated appliance replacements, including dishwashers; clothes washers; refrigerators and air conditioners to eligible Island Energy residential or business customers. This program does not allow for reimbursements to developers of residential or commercial developments. It is the Customers' responsibilities to complete, sign and submit an Appliance Efficiency Program application form, along with an original or legible copy of the purchase receipt, to the Utility's office for a rebate. A Utility representative may call to schedule a physical inspection of the installed appliances prior to issuing a rebate. The Utility may evaluate the energy efficiency of the particular appliance or appliances and determine the applicable rebate.

Qualifying Energy Star-rated products are listed on the Environmental Protection Agency's web site at www.energystar.gov. Application Form, terms and instructions are available at www.islandenergy.com.

The rebate amounts for qualifying Energy Star-rated appliances are:

Dishwasher	\$50
Clothes Washer	\$75
Refrigerator	\$50
Room Air Conditioner	\$50
Nest Learning Thermostat	\$50

d) Commercial Energy Efficiency Rebate Program

This program is designed to provide certain rebates to commercial customers who receive electric service from the Utility. Commercial customers who wish to improve energy efficiency within their facilities and seek to take advantage of this program may file an application with the Utility on its website. The following additional requirements shall apply:

- (i) The Applicant must be able to demonstrate that recently installed improvements or planned improvements, for which it seeks contribution to the expense of the improvements, will result in a reduction in the use of energy by at least 10%.
- (ii) The application must be accompanied by
- (iii) a) copies of any executed contract with a contractor who is going to install the energy efficiency improvement measures,

- (iv) b) copies of any reports demonstrating the actual or, in the event the improvements have not yet been installed, anticipated energy savings,
- (v) c) invoices for qualified energy efficiency products purchased and installed, or to be installed, and,
- d) any other supporting documents.
- (vi) A Utility representative may call to schedule a physical inspection of the planned or installed improvements or request further information in order to evaluate if and to what extent the improvements may qualify for reimbursement under this program.
- (vii) Funds originally earmarked under one application will be made available to other customers if the Applicant fails to submit all required supporting documents and install the proposed energy efficiency improvements within the required time period.
- (viii) After installation and a three (3)-month window allowing the Utility to collect electric consumption data from the service location which successfully demonstrates the requisite energy reduction, the Utility will make the appropriate reimbursement. The Utility has sole discretion to determine the applicable rebate and program eligibility and its determination shall be final in all cases.
- (ix) Reimbursement is subject to Funds available under the Public Benefits Fund Program and will be made available in the order in which all applications are received. The total rebate amount shall not exceed \$10,000 for any single application per Premises.
- (x) Currently there are catalogs providing specific information on requirements and rebates for the following three types improvements:
 - Lighting Fixture Retrofit

e) Residential Low-Income Assistance Program

This program is designed to provide discounted electric rates to assist eligible low-income residential customers with their Utility bills. To be eligible to receive assistance from this program, an interested Customer must file an application with the Utility and provide a copy of their U.S. Tax Return from the previous year along with other proof which is sufficient to establish all household income.

To obtain the benefit under this program the total household income for any Applicant shall not exceed those amounts shown on the table below for the corresponding number of persons residing in the household. Eligible Applicants will receive a 20% discount of utility charges on their monthly utility bills.

If a Customer's financial situation has changed and no longer fulfill the low-income eligibility criteria, the Customer must notify the Utility within thirty (30) days after the change occurs. Each Customer receiving the reduced rate under this Program must reapply for eligibility at least once a year on or before the

anniversary date of the first bill received showing a discount under this Program. In addition, the Utility may request an updated verification of household income at its discretion.

If Verification establishes that the Customer is no longer eligible for the program, the Customer will be removed from the program and the Utility may render corrected billings under the full rate schedules hereunder for the period of ineligibility. Such customer will also be reported to law reinforcement department for fraud.

The Low-Income Assistance Program adopts the Income Qualifications for Housing and Urban Department Rental Assistance in Solano County.

Number of Persons in Household:	Maximum Annual Household Income:
1	\$64,100
2	\$70,510
3	\$77,561
4	\$83,220

3) New Investment in Renewable Energy Resources and Technologies

The Public Benefits fund can provide funding for the construction and installation of Utility owned renewable generation within the Utility's service area to provide renewable energy generation to serve customers on Mare Island.

4) Other Authorized Public Benefits Fund Expenditures

The Public Benefits Fund allows the Utility to recuperate 3rd party expenses in researching and developing advance science and technology in demand-side management, energy conservation tracking, energy efficiency cost effectiveness evaluation, battery energy system cost benefit analysis and regional grid optimization study.

The Public Benefits Fund allows the Utility to recuperate administrative costs and staff time in researching, developing and implementing new Public Benefits programs, managing existing programs and verification of energy efficiency measures and renewable technologies installed.

5) Electric Vehicle Incentive

This program applies to verified current, Customer owners of plug-in electric vehicles and vehicle hybrids with an electric range in excess of 30 miles per charge:

- a) Rebate for the home or business installation of a Level 2 (240volt) charging station. Installation must be performed by a qualified electrician and inspected by the Utility technician.

The Utility will provide a rebate up to \$600.00 to cover the actual out-of-pocket costs, including EV Charger purchase cost (minus rebates from manufacture and other government agencies), including the installation and permit costs.

- b) To be eligible for the program, customers must fill out the EV Charger Rebate Application and submit the application along with all supporting documentation to Island Energy via mail or email.
- c) Applicant must present documentations to show that they own a plug-in electric vehicle or vehicle hybrid with an electric range in excess of 30 miles per charge. Documentation is required at time of initial application for the program and must be provided between July 1st and July 31st of every subsequent year.
- d) Applicant is responsible for obtaining all required permits from the City of Vallejo.
- e) The incentive offer is on a first-come, first served basis and is effective until Funding is expended, or the program is discontinued.

B. RESIDENTIAL MEDICAL DISCOUNT PROGRAM

1) General

This program is designed for residential Customers who require certain medically necessary life support devices to sustain life or enable mobility. To qualify under this rule, the device must be used in the home within the Utility's service territory and the medical equipment must run on electricity supplied by the Utility.

2) Life Support Devices

For the purpose of this Section, life support devices include, but are not limited to, respiration, iron lungs, hemodialysis machines, suction machines, electric nerve stimulators, pressure pads and pumps, aerosol tents, electrostatic and ultrasonic nebulizers, compressors, IPPB machines and motorized wheelchairs ("Life Support Device"). Devices used for therapy rather than for life support generally do not qualify.

3) Qualification Requirements

To qualify for the Residential Medical Discount Program, Applicant must provide certification by a physician or osteopath that the Applicant or a full-time resident in the Applicant's home is dependent on a Life Support or other necessary electrical device used in Applicant's home or is a Paraplegic, Quadriplegic, Hemiplegic, or a Multiple Sclerosis patient with special electrical space heating needs or air condition needs. Medical conditions other than the Paraplegic, Quadriplegic, Hemiplegic, or a Multiple Sclerosis may also qualify for this program if electrically operated equipment is used to sustain, restore or supplant a vital function if approved by the Utility.

Customers receiving this program discount must verify continued eligibility every two years. The Utility will notify the customer when reapplication or verification is required. Failure to provide the requested documentation within the specified timeframe may result in removal from the discounted rate until eligibility is reestablished

4) Program Discount.

Program subscriber will receive a 20% discount of utility charges on their monthly utility bills. See "Rate Schedule M: Medical Residential Electrical Service Discount".

5) Backup Generation Rebate

Assuming Applicant meets the terms and conditions of Article B.3 above, Island Energy will provide a cash rebate of \$250.00 to Applicant for the purchase of a back-up generation system.

- a) Island Energy makes no recommendation or representation as to the type, size or installation of such a system. Purchase, installation and operation is the responsibility of the Applicant.

- b) A permanent backup generation system will require City of Vallejo permitting and inspection, and an interconnection inspection by Island Energy
- c) SAFETY: Any portable generator MUST be operated outdoors in a non-enclosed, well ventilated area. NEVER operate a portable generator in the home, garage or other enclosed space.

6) Customers Responsibility.

Although the Utility makes every effort to supply uninterrupted service to all of its Customers, continuous service cannot be guaranteed. In the event of a power outage, patients requiring the use of life-support equipment are responsible for providing their own backup power system or calling for medical emergency service. Customers are also required to complete a third-party notification form for emergency purpose. The Utility does not guarantee service on delinquent or past due accounts.

C. SOLAR INCENTIVE PROGRAM

Island Energy has successfully met its obligations under Senate Bill 1. New Federal and State programs to be implemented in 2020 will replace the provisions granted under Senate Bill 1. As such, Island Energy will discontinue the Solar Installation rebate under the Solar Incentive Program under this Tariff.

Those intending to install solar systems must still obtain an Application for the installation of the system and have an inspection performed prior to operation.

1) Program General Guidelines

- a) All photovoltaic ("PV") solar systems installed within the Utility's service area on Mare Island must be installed in conformance with the manufacturer's specifications and in compliance with the Utility's engineering criteria for interconnection to the Utility's electric distribution system and all applicable electrical and building code standards.
- b) The solar energy system should be located on the same Premises where the consumer's electricity demand is located. A customer cannot interconnect a solar-electric system to Island Energy's distribution system without an approved application and an executed Interconnection Agreement.
- c) All components in the solar energy system must be new and unused and have not previously been placed in service in any location and for any other application. All solar energy system must have a minimum 10-year warranty to protect against defects and undue degradation of electrical generation output.
- d) Eligible solar technologies must primarily generate electricity. "PV" refers to flat-plate non-concentrating photovoltaic modules, and "other solar electric generating technologies" refers to all solar electric generating technologies except flat-plate non-concentrating photovoltaic modules.

- e) All major solar energy system components shall be included on the Energy Commission's Eligible Equipment Lists. This includes PV modules, other solar electric generating technologies, inverters, and meters. Information on solar energy system components can be found at <http://www.GoSolarCalifornia.org>.

2) Program Participants

- a) Host Customer
- b) The Host Customer is the owner or tenant of the Premises where the PV solar system will be installed. The Host customer must have a valid Utility account with Island Energy at the time the application is submitted.
- c) System Owner
- d) The System Owner is the owner of the PV solar system at the time the incentive is paid. In the case of third party-owned (or leased) system, the third party is the system owner.
- e) Program Applicant
- f) The applicant is the primary contact for the Solar Incentive Program application process, the system owner remains the legal party to the PV solar system during the life span of the system unless the Host Customer elects to purchase the PV solar system for its residual value during the life time of the system.

3) System Installer

- a) All eligible PV solar systems shall be installed by individuals with a current A, B, C-10, or C-46 contractor license. Roofing contractors with a current C-39 license may place PV panels in accordance with the limitations of their license; however, electrical connections cannot be made by a roofing contractor. Installation by certified installers is encouraged, though not required. Systems may be self-installed by the purchaser.
- b) The Utility will conduct system inspection visit in order to verify that the system is installed as represented in program applications, are operational, interconnected and conform to all Utility criteria.
- c) The Utility reserves the right to disqualify installers from future program participation for failed inspections due to gross negligence, fraud, or uncorrected mechanical failures.

4) System Sizing

Solar customers may size their solar systems to offset up to 100% of their annual electricity usage. The Utility evaluates solar system size based on the customer's historical load of the previous 12 months. The Utility will not provide a rebate for the oversized portion of a solar system.

- 5) Island Energy will conduct site inspection to verify solar systems are installed as represented in applications, are operational, interconnected and conform to the

eligibility criteria of the Solar Incentive Program before the system can be energized.

6) Ownership of Environmental Attributes

The System Owner shall assign the Utility any and all environmental attributes, including but not limited to renewable energy credits, green tags and carbon credit/allowances generated by the PV solar system that receives rebate on during the entire lifetime of the PV Solar system. The Utility shall have sole discretion and full benefits of any and all environmental attributes, renewable energy credit, carbon credit/allowances and energy deduction with respect to the system that received rebate from the Utility.

7) Net Energy Metering Program and Exported Renewable Energy Program

Before July 1, 2016, the total rated solar generating capacity installed by Eligible Customer-generators exceeded the 5% threshold of the Utility's aggregate customer peak demand Net Energy Metering Program.

Customers who currently subscribed for the Net Energy Metering Program will retain benefits of the NEM program until the expiration of their 20-year enrollment period, from their original interconnection date.

Customers who move into premises with a system previously been approved for the Net Energy Metering Program will retain benefits offered by the NEM program for the remainder of enrollment period, from the system's original interconnection date. Increase in the generating capacity of systems subscribed to the Net Energy Metering program is not permitted.

Starting from July 1, 2016, new solar customers will be placed under the Exported Renewable Energy Program. For program details please refer to Rate Schedule ERE.

The billing mechanism of the ERE program is explained below.

The Utility employs bi-directional meters to register "kWh Consumed" for energy delivered to a ERE customer and such energy is charged at residential retail rate; bi-direction are also used to register "kWh Generated" for excess energy delivered to the Utility's distribution grid from a customer's generator, such energy is credited to at the Net Energy Surplus Rate to a ERE customer. The "kWh Consumed" and "kWh Generated" registers are used to calculate charges and credits on ERE customers' monthly bill.

8) Solar System Sizing and Application Process

- a) Obtain a Solar PV Rebate Application Form and an Interconnection and Exported Renewable Energy Agreement. Fill out the application form and submit it to the Utility with the required support documents via internet, mail or office drop-off. The Utility will process all completed applications within thirty (30) days.
 - b) The interconnection application fee(s) should be proportionate to the costs incurred by the Utility's staff to review the interconnection application including solar system sizing, engineering design, utility inspection and final meter turn on.
 - \$200.00 for residential installation
 - \$500.00 for solar installation up to 50 kilowatts (kW), and
 - \$1,000.00 for installations greater than 50 kW
 - c) Upon receiving approval from the Utility, the Customer must sign the Interconnection Agreement to participate in Island Energy's Solar Incentive Program and Exported Renewable Energy Program.
 - d) Receive a building permit from the City of Vallejo. It is recommended to get application approval from the Utility before obtaining a building permit.
 - e) After receiving the building permit, the Customer should begin the installation process within a hundred eighty (180) days of receiving the Utility's approval or the application will expire.
 - f) Upon completion of the installation, obtain a building safety inspection from the Building Department of the City of Vallejo.
 - g) The Utility will be notified by the Building Department of Vallejo, and the Utility will perform a Utility inspection and replace the regular meter with a bi-directional meter. Once the bidirectional meter is installed, your solar system is interconnected to the Utility's grid.
- 9) Application Attachments
- a) Recent Utility bill showing electric usage of the service location,
 - b) Purchase order, contract or lease for the PV system installation, showing equipment size and proof of the 10-year warranty.
 - c) A shading analysis, if not a minimally shaded area,
 - d) Energy Audit Report for commercial customers (not required for residential customers).

10) Non-bypassable Charges

Customer-Generators shall not be exempt from certain charges paid by other Customers in order to avoid any shortfall, resulting in a shifting of the burden of these charges to the remaining non-generating Customers.

These charges may include all or some of the following:

- (i) The Public Benefits Program (Section 14.A – California Public Benefits Program),
- (ii) Outstanding Power Purchase Costs (“OPPC”),
- (iii) Capital Improvement Debt (“CID”) (Repayment of loans for capital improvements made necessary as a result of the aging electrical system), and
- (iv) Operational Financial Assistance (“OFA”) (Repayment of loans made necessary during periods where there are shortfalls in cash flow necessary to meet current obligations in between rate adjustments), and they can either appear as a line item on the monthly bill to all Customers or as a debt to be repaid as part of the yearly rate case.

D. RELOCATION FUND

1) General

As part of the ongoing efforts to redevelop Mare Island, a facility Relocation Fund ("Relocation Fund" or "Fund") is established to provide financial assistance to the City of Vallejo ("City") or a Qualified Developer (as defined herein) for use in the relocation or re-working of electric and gas Utility facilities in conjunction with City's redevelopment activities on Mare Island.

There shall be but one (1) Fund from which both electric and gas relocation projects may receive funding.

The same application procedure will be applicable to both, and withdrawals from the Relocation Fund for gas projects will reduce the Funds availability for electric projects and vice versa.

2) Contributions to the Fund; Maximum Balance

- a) The Utility will commence regular contributions to the Relocation Fund by the collection of two percent (2%) of the gross annual receipts from the sale of electricity and gas by the Utility.
- b) The Relocation Fund shall have a maximum balance of Three Hundred Fifty Thousand Dollars (\$350,000) at any one time. Contributions to the Relocation Fund shall continue on an ongoing basis until the maximum balance is attained. At such time the maximum balance is attained, all collections for this Fund and contributions by the Utility shall cease.
- c) If a withdrawal causes the balance in the Relocation Fund to drop below the maximum balance herein established, Utility shall once again commence making contributions under these same terms beginning on the month following the month during which the Relocation Fund was so reduced.
- d) The Relocation Fund shall not be increased by receipt of interest on its balance at any time. Any interest earned on the principal balance shall be directed into Utility's operational account for general purpose use. There shall be no monetary obligation by the Utility under this Section beyond the balance contained in the Relocation Fund.

3) Withdrawal from the Fund

The City or any Developer under contract with the City for the redevelopment of any portion of Mare Island ("Qualified Developer") may request proceeds from the Relocation Fund for use in Utility relocation made necessary by redevelopment activities on Mare Island.

Any application of proceeds from the Relocation Fund must be Utility related and limited to relocating electric and gas facilities in conformance with Mare Island Reuse Plan, as amended from time to time. The amount of support under the

Relocation Fund is limited to the balance of the Relocation Fund as determined hereunder.

4) Process for Withdrawal

The City or a Qualified Developer may request a withdrawal from the Relocation Fund for use consistent with Mare Island Reuse Plan under the following criteria:

- a) The City or Qualified Developer may request Relocation Funds in support of the relocation of electric and/or gas distribution facilities owned by the Utility on a specific project-by-project basis.
- b) Such request shall be tendered to the Utility in writing, indicating the specific project, and the amount requested, the time frame during which relocation activities should be completed, and any other information or data pertaining to the project which is required by the Utility to meet both the Funding and relocation requirements associated with the project.
- c) The City and the Utility shall work together to develop a form of request satisfactory to meet the needs of the City, any Qualified Developer and the Utility.
- d) The City and the Utility shall endeavor to communicate on an ongoing basis so that any projects might be foreseen and may be approached as efficiently as possible.
- e) The City or any single Qualified Developer shall not be entitled to a withdrawal of more than fifty percent (50%) of the Relocation Fund balance as it exists on the date and at the time of the submittal of the application under this section, after having deducted all amounts which are the subject of prior applications under consideration.
- f) In the event a prior application is denied prior to a final determination on the later application, the Funds available to the later applicant shall be recalculated as if the prior application had not been made. Prior to payment hereunder, the City or a Qualified Developer must:
 - (i) Have submitted a project application,
 - (ii) Paid the application fee,
 - (iii) Enter into a Customer Contract with Utility,
 - (iv) Completed the project in compliance with all the terms of its agreements with Utility and,
 - (v) be in compliance with these Tariffs. Any failure to comply with the requirements of this Section shall result in the restoration of the Funds earmarked for the Qualified Developer to the Relocation Fund. The application for a withdrawal from the Relocation Fund will be processed in the order in which the applications are submitted.
- g) In the event the City or a Qualified Developer otherwise meets all of the criteria set forth in this Section and the Executive Director has agreed to Fund in whole

or in part the relocation project, such Applicant may request to have the Utility carry out the relocation project.

- h) The Utility, if it accepts responsibility for the design and construction of the relocation project, shall charge the Relocation Fund for all engineering, design, construction, labor, equipment and other costs and expenses, to the extent Relocation Funds have been approved for use on the relocation project.
- i) Any costs above and beyond the Funds available hereunder shall be the sole responsibility of the Applicant. For a relocation project with estimated cost of \$10,000.00, or less the Utility's General Manager shall have sole discretion to decide whether the Utility will take on the project or not. For relocation projects with an estimated cost of over \$10,000.00, the Executive Director of Pittsburgh Power Company ("PPC") shall have sole discretion to decide whether the Utility will assume the project or not.
- j) The Executive Director shall review each request for withdrawal from the Relocation Fund for all projects with an estimated cost of more than \$10,000.00, and shall, at the Executive Director's sole discretion, decide to Fund or not to Fund all or part of the requested relocation project out of the Relocation Fund.
- k) The Executive Director's decision will be based on the finding of whether the project is viable and can be completed successfully, is consistent with the Reuse Plan, as amended from time to time, and is consistent with the conditions of this Section. For all projects with an estimated cost of \$10,000.00 or less, the General Manager shall be responsible for the review and determination whether to approve the application, and in making such determination shall exercise the same discretion as that exercised by the Executive Director on projects with an estimated cost of more than \$10,000.00.
- l) For projects with an estimated cost of more than \$10,000.00, a City or Qualified Developer who is not satisfied with the decision of the Executive Director, has recourse by appeal to the full PPC Board of Directors ("Board"). In which event the City or Qualified Developer shall, within ten (10) days of the mailing of the Executive Director's written decision, submit a written appeal containing all arguments in favor of the use of Relocation Funds for project, along with any relevant exhibits demonstrating compliance with the conditions of this Section to the Board.
- m) The Board will thereafter consider the appeal in a timely manner at a regular noticed meeting and its decision shall be final. For projects with an estimated cost of \$10,000.00 or less, the decision not to approve the use of Funds from the Relocation Fund will, at the request of the Applicant, be reviewed by the Executive Director, who's determination shall be final.
- n) The amount of Funding available to the City or Qualified Developer under this procedure is strictly limited to the amount determined under Section 14.D.2, above.
- o) All Funds held in and distributed from the Relocation Fund are public Funds within the meaning set forth in California Labor Code sections 1720, et seq.,

and may or may not be subject to the prevailing wage laws contained therein. The City or Qualified Developer shall indemnify the Utility and PPC against any and all claims regarding any failure to pay prevailing wages.

- p) Limited Obligation
- q) Other than as set forth in this Section and in Sections 6.K and 6.L, the Utility shall incur no other obligation to Fund the Utility facility expenses incurred by the City or any developer.
- r) Termination:
- s) The Relocation Fund shall terminate at the earlier of the following dates:
 - (i) The date on which those Qualified Developers having charge of redevelopment pursuant to the Reuse Plan, as amended from time to time, have completed their work or,
 - (ii) February 1, 2025.



SHEET NO. 26-27-CES-1
CANCELING SHEET NO. 25-26-CES-1

Rate Schedule CES-1 METERED SMALL COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to small industrial/commercial Customers whose single meter monthly electricity consumption is no greater than 86,400 kWh.

RATES:

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic Service Fee, per meter per day\$0.44772

Energy Charge, per kWh\$0.33909

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day\$0.46638

Energy Charge, per kWh\$0.31930

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this schedule normally will be supplied at a standard available voltage in accordance with Section 3 of the Tariff.
3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.



SHEET NO. 26-27-CES-2
CANCELING SHEET NO. 25-26-CES-2

Rate Schedule CES-2

METERED INDUSTRIAL / COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to industrial/commercial Customers whose single meter indicates its monthly electricity usage is between 86,400 and 360,000 kWh in any particular month. Customers whose monthly consumption falls in this range will be billed at this rate class for that particular month.

RATES:

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic Service Fee, per meter per day\$6.64181

Energy Charge, per kWh\$0.31569

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day..... \$18.0818

Energy Charge, per kWh\$0.29990

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this schedule normally will be supplied at a standard available voltage in accordance with Section 3 of the Tariff.
3. Eligibility for Primary Voltage Service: The Utility at its sole discretion will determine whether a Customer may receive Primary Voltage Service.
4. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
5. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.



Rate Schedule CES-3

METERED LARGE INDUSTRIAL / COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to large industrial/commercial Customers whose single meter indicates its monthly electricity usage is between 360,000 and 720,000 kWh in any particular month. Customers whose monthly consumption falls in this range will be billed at this rate class for that particular month.

RATES:

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic Service Fee, per meter per day\$27.76962

Energy Charge, per kWh.....\$0.28455

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day.....\$38.95849

Energy Charge, per kWh.....\$0.27959

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this schedule will be supplied at the voltages listed above
3. Eligibility for Primary Voltage Service: The Utility at its sole discretion will determine whether a Customer may receive Primary Voltage Service.
4. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
5. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.



Rate Schedule CES-4

METERED VERY LARGE INDUSTRIAL / COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to very large industrial/commercial Customers whose single meter indicates its monthly electricity usage exceeds 720,000 kWh in any particular month. Customers whose monthly consumption exceeds this threshold will be billed at this rate class for that particular month.

RATES:

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic Service Fee, per meter per day\$55.81972

Energy Charge, per kWh.....\$0.25278

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day\$69.77542

Energy Charge, per kWh.....\$0.239899

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this schedule will be supplied at the voltages listed above
3. Eligibility for Primary Voltage Service: The Utility at its sole discretion will determine whether a Customer may receive Primary Voltage Service.
4. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
5. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.



Rate Schedule RES-1 METERED RESIDENTIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to all residential Customers receiving metered service. A residential Customer is defined as using a single-phase domestic service for lighting, heating, cooking, water heating, and power, or a combination thereof, in single family dwellings, flats, and apartments, separately metered by the utility and to single-phase service used in common for residential purposes by tenants in multi-family dwellings.

RATES:

Basic Service Fee, per meter per day\$0.44129

Monthly Electricity Usage $\leq 4,500$ kWh

Energy Usage Charge, all kWh, \$/kWh.....\$0.29072

The minimum charge on this rate schedule shall equal the Basic Service Fee times the number of days in a billing cycle.

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this Rate Schedule normally will be supplied at a standard available voltage in accordance with Section 3 of the Tariff.
3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
5. FERC Adjustments: As FERC could potentially legally change the terms and conditions in PG&E's electricity purchase contracts, any resulting incremental rate increase of electricity to Island Energy will be added to the Energy Charge above as a pass-through rate.



Rate Schedule RES-2 METERED RESIDENTIAL ELECTRICAL SERVICE (OVER 4,500KWH)

APPLICABILITY

This schedule is applicable to all residential Customers with monthly electricity usage over 4,500 kWh. A residential Customer is defined as using a single-phase domestic service for lighting, heating, cooking, water heating, and power, or a combination thereof, in single family dwellings, flats, and apartments, separately metered by the utility and to single-phase service used in common for residential purposes by tenants in multi-family dwellings.

RATES:

Monthly Electricity Usage > 4,500kWh

Basic Service Fee, per meter per day\$0.67581

Energy Usage Charge, all kWh, \$/kWh.....\$0.49563

The minimum charge on this rate schedule shall equal to the Basic Service Fee times the number of days in a billing cycle.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this Rate Schedule normally will be supplied at a standard available voltage in accordance with Section 3 of the Tariff
3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer
4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
5. FERC Adjustments: As FERC could potentially legally change the terms and conditions in PG&E's electricity purchase contracts, any resulting incremental rate increase of electricity to Island Energy will be added to the Energy Charge above as a pass-through rate.



Rate Schedule LS LIGHTING SERVICE

APPLICABILITY

This rate schedule applies to all electric Customers receiving unmetered service from the utility for lighting facilities that are controlled by an electronic photo-sensitive switch. This rate schedule further applies only to Customers that own, operate and maintain the lighting fixtures and wiring connected to the utility's system, and is limited to the lamp types and wattage ranges listed below.

RATES:

The total monthly charge per lamp is equal to the sum of the facility charge and the energy charge:

Facility Charge Rate, per lamp per month.....\$0.31874

Energy Charge Rate, per kWh\$0.25772

Monthly energy charges per lamp are calculated using the following formula:

$(\text{Lamp-wattage} + \text{Ballast-wattage}) \times 4100/12/1000 \times \text{Energy-rate}$

Where: Ballast-wattage = Lamp-wattage x ballast-factor

Ballast Factors by Lamp Type and Wattage Range:

<u>Watt Range</u>	<u>Ballast Factor</u>	<u>Watt Range</u>	<u>Ballast Factor</u>
<u>INCANDESCENT</u>		<u>LIGHT EMITTING DIODES</u>	
0 to 200	0.00%	0 to 50	0.00%
<u>MERCURY VAPOR</u>		<u>HIGH PRESSURE SODIUM VAPOR (120 VOLT)</u>	
1 to 75	31.00%	1 to 40	25.44%
76 to 125	17.07%	41 to 60	22.93%
126 to 325	13.69%	61 to 85	21.25%
326 to 800	11.22%	86 to 125	20.00%
801 +	10.34%	126 +	17.07%



Rate Schedule LS

LIGHTING SERVICE (CONT.)

METAL HALIDE

1	to	85	25.44%
86	to	200	24.39%
201	to	375	22.93%
376	to	700	18.54%
701	+		13.27%

HIGH PRESSURE SODIUM VAPOR (240 VOLT)

1	to	60	40.49%
61	to	85	42.16%
86	to	125	37.56%
126	to	175	34.63%
176	to	225	18.54%
226	to	280	17.07%
281	to	380	14.35%
381	+		12.68%

LOW PRESSURE SODIUM VAPOR

1	to	40	75.61%
41	to	75	54.32%
76	to	110	46.34%
111	to	160	34.42%
161	+		26.83%

INDUCTION

0	to	200	3.45%

SPECIAL CONDITIONS

- Type of Service: Service under this rate schedule will normally be provided only to multiple lighting systems that are supplied by the utility at a standard secondary voltage of 120 volts or 240 volts single-phase.
- Photo Controls: This schedule is predicated on electronic type photo controls meeting ANSI standard C136.10, with a turn-on value of 1.0 foot-candles and a turn-off value of 1.5 foot-candles. Electro-mechanical or thermal type photo controls are not acceptable for this rate schedule.
- Annual Operating Schedules: The rates under this schedule assume 4100 operating hours per year (approximately 11 hours per night), and apply to lights which will turn on and off once each night.
- Light or Pole Numbering: Pole number sequencing and coding for single lights or multiple lights on a single pole shall be provided by the Customer in a format acceptable to the utility. The Customer shall provide physical numbering on lights or poles in order to facilitate accurate billing and inventory reporting prior to energizing facilities. Numbering must be legible from the ground.
- Lighting Inventories: The Customer shall submit an initial inventory of the location, type and wattage for each light, including any non-conforming loads connected to the lighting system, in a format acceptable to the utility before the lighting system is connected to the utility system. An updated inventory shall be submitted annually after the initial inventory. The Customer shall inform the utility in writing within 30 days of any changes to the inventory.
- Non-conforming loads: Any load other than the lighting loads listed in this rate schedule is a non-conforming load, and shall require approval from the utility before they are connected to an unmetered lighting service. Non-conforming loads will only be approved for governmental agencies. Each non-conforming load shall not exceed 150 watts per circuit, or light for individually connected lights. Any non-conforming load exceeding this limitation requires metering of the Customer's system at the utility's connection point. The monthly billed charges for approved unmetered non-conforming loads will be based on the rated or measured full-load input wattage and verified hours of operation.



Rate Schedule MLS MOTOR LOAD SERVICE

APPLICABILITY

This schedule is applicable to all electric Customers receiving unmetered service from the utility for electric motor load. This is further restricted to Customers that own, operate, and maintain the electrical wiring from the motor to the utility's primary, or secondary, circuits that are in place to service Customers other than the motor load Customer.

RATES:

Basic Service Fee, per meter per day\$0.15

Rated Horsepower Charge, per Horsepower, per day\$6.00

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this schedule normally will be supplied at a standard available voltage in accordance with Section 3 of the Tariff.
3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
5. Ownership of Facilities: The utility may, at its option, with the agreement of the Customer, own the facilities connecting the lighting fixture to the utility's electrical system, provided that the Customer has made arrangements to pay for this service according to Section 8.
6. The Horse Power: The Horsepower of the motor shall be determined by the utility.



SHEET NO. 26-27-MISC
CANCELING SHEET NO.20-21-MISC

Rate Schedule MISC

MISCELLEOUS SERVICE FEE AND CHARGE

APPLICABILITY

This schedule is applicable to all electric Customers requesting service from the utility.

RATES:

New Residential Account Deposit	\$200.00
New Commercial Account Deposit	\$450.00
Account Write-Off Fee.....	\$35.00
Residential Meter Turn-On Due to Non-Payment.....	\$35.00 or \$75.00 after 3:00pm
Commercial Meter Turn-On Due to Non-Payment.....	\$100.00 or \$250.00 after 3:00pm
Meter Turn-on Due to Meter Removal.....	\$250.00
Dispute Bill.....	\$25.00
Returned Check Fee.....	\$35.00
Meter Re-Read.....	\$15.00
Late Payment.....	\$15.00 or 3% of unpaid balance
Meter Test Fee.....	\$155.00
Meter Tampering Penalty.....	\$135.00
Residential Electrical Data Analysis-Customer Request.....	Actual Cost Up to \$100.00
Commercial Electrical Data Analysis-Customer Request.....	Actual Cost Up to \$500.00
Residential Solar Application.....	\$200.00
Commercial Solar ≤ 50 KW Application.....	\$500.00
Commercial Solar ≥ 50 kW Application.....	\$1,000.00



Rate Schedule M

MEDICAL RESIDENTIAL ELECTRICAL SERVICE DISCOUNT

APPLICABILITY

This schedule is applicable to all residential Customers receiving metered service and that qualify for the Medical Support Baseline Program

REQUIREMENTS:

To qualify for the Medical Residential Electrical Service Discount you must provide certification by a physician or osteopath that you or a full time resident in your home is dependent on a medical equipment device used in your home, or is a Paraplegic, Quadriplegic, Hemiplegic, or a Multiple Sclerosis patient with special electric space heating needs or air conditioning needs. Medical conditions other than paraplegia, hemiplegia, quadriplegia, or multiple sclerosis may also qualify for this rate if electrically operated equipment is used to sustain, restore, or supplant a vital function if approved by the Utility.

RATES:

Qualified Customers that participate in the Medical Discount Rate will receive a 20% discount of their total utility bill.

Customers receiving the program discount must verify eligibility every two years. The Utility will notify the customer when reapplication or verification is required. Failure to provide the requested documentation within the specified timeframe may result in removal from the discounted rate until eligibility is reestablished.

MEDICAL EQUIPMENT DEVICE

A medical equipment device, for purposes of the Medical Residential Electrical Service Discount, is defined as any medical device requiring utility-supplied energy for its operation that is regularly required to sustain the life of a full-time resident in the home. Qualifying medical equipment includes, but is not limited to, respirators, iron lungs, hemodialysis machines, suction machines, electric nerve stimulators, pressure pads and pumps, aerosol tents, electrostatic and ultrasonic nebulizers, compressors, IPPB machines, and motorized wheelchairs. The term also includes air conditioning for all residential rate categories or electric heat for Customers on an electric space heat rate, for paraplegic, hemiplegic, or quadriplegic and multiple sclerosis patients. Devices used for therapy rather than for life support generally do not qualify.



SHEET NO. 26-27 CPS
CANCELING SHEET NO. 20-21-CPS

Rate Schedule CPS

CUSTOMER PROJECT SUPPORT CHARGES AND FEES

APPLICABILITY

Applicable to any person or entity requesting the utility to supply electric service, relocate electric facilities, or upgrade electric facilities.

RATES:

WORK ORDER – Utility Reimbursable:

For Customer Projects of minor scope and not requiring engineering or other third-party support, and where the Utility will largely self-perform the work, a reimbursable Work Order may be utilized to describe the Customer Project scope of work including a cost estimate for the Customer's consideration.

Upon acceptance of the scope of work and cost estimate, the Customer will sign the Work Order, authorizing the work and agreeing to reimburse the Utility for the time and materials required.

CUSTOMER PROJECT SUPPORT:

For Customer Projects of potentially significant scope and complexity, and requiring engineering or other third-party support, and where the Utility may contract all or part of the work, an "Application for Customer Project Support" process is utilized.

1. Application

The Customer to complete a Utility Application form with all Company and Project information, including a Project Description, to include all relevant information such as location, electrical equipment, load calculations and related information,

2. Design Agreement

With receipt of the Application and Fee, Utility will request a meeting, to better understand the Project and Customer objectives. At the Customer's election, the parties will execute a "Customer Project Support Design Agreement" for the performance of a technical Design, Scope of Work and Cost Estimate for Utility to perform its elements of the Project.



CONTINUED

3. Installation / Alteration Agreement

After Customer acceptance of the Utility Design, Scope of Work and Cost Estimate, Customer may elect to enter into an "Customer Project Support Installation / Alteration Agreement" for Utility performance of the works.

Project Application Fee and Deposit

A **\$250.00** application fee is required at the time when a project Application is submitted to Utility to cover the reasonable cost of Application processing.

A deposit equal to **25%** of the total estimated project cost is required before work begins. The remaining project costs will be invoiced on an ongoing basis until the full project cost has been collected.

Island Energy Labor Hourly Billing Rates

Island Energy adopts the City of Pittsburg's Full-Time Employee Fully Burden Hourly Rate

During normal working Hours: City of Pittsburg Fully Burdened Hourly Rate

(7:30am to 4:00 pm) Monday through Friday and not holidays)

During non-normal working hours 1.5 times of the Fully Burdened Hourly Rate

City of Pittsburg's Full-Time Employee Fully Burden Hourly Rate is posted on Website list below.

<http://www.ci.pittsburg.ca.us/Modules/ShowDocument.aspx?documentid=11654>

Material Handling Charge

In the case that the Utility handles contractor contracts and materials for the Customer, project costs including but not limited to equipment, materials, engineering and contractor fees will be subject to a 10% mark up to cover project administration costs.

Late Fees

A late penalty equal to **10%** of the total invoice amount will be assessed on any customer project invoice not paid by the stated due date.



Rate Schedule NCE

NEW COMMERCIAL ELECTRICAL SYSTEMS REIMBURSEMENT

APPLICABILITY

Applicable to monetary reimbursement to an Applicant for a percentage of those Eligible Expenses associated with and incurred in the construction and placement of new electrical distribution system or systems which result in New Permanent Load of 150,000 kWh per month averaged over a 12 month period under Section 6.L of these Tariffs.

RATES:

1. **MAXIMUM REIMBURSEMENT:** The total amount subject to reimbursement is Thirty-three Percent (33%) of Eligible Expenses of new commercial electrical systems.
2. **PAYMENT CALCULATION:** The amount of reimbursement owed to a Qualified Developer shall be determined based on the increase in incremental load ("Incremental Load Increase") over the total load as determined during the fiscal year immediately prior to project completion ("Base Year"). The amount to be collected and made available for reimbursement shall be calculated by applying a factor of \$0.005/kWh to the Incremental Load Increase ("Commercial Reimbursement"). When two (2) or more parties make joint contributions or advances on the same new electrical transmission of distribution system, reimbursements will be distributed to these parties in the same proportion as their individual contributions or advances bear to the total Eligible Expense.
3. **TIMING OF PAYMENT:** Commercial Reimbursements shall be reconciled annually. Reimbursements hereunder shall be made without interest and shall be dispersed no later than September 30th following the fiscal year end for the fiscal year within which a claim for reimbursement hereunder has been made.
4. **FINAL DETERMINATION:** This is a voluntary program and may be terminated at any time. All collection and reimbursement shall in any event cease after the total of all obligations hereunder are paid or February 1, 2025, which ever event occurs first. All determinations relating to reimbursable amounts or credits made by utility shall be final.



Rate Schedule N

LOW INCOME RESIDENTIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to all residential Customers receiving metered service and that qualify for the Residential Electrical Low-Income Assistance Program

REQUIREMENTS:

Customers must submit an Application in the form set forth on the Island Energy Web Site. Each such Application must be accompanied by a copy of his/her U.S. Tax Return from the previous year along with other proof acceptable to the utility which is sufficient to establish all household income.

Customers shall be recertified for eligibility at least once per year, but the utility may request an updated verification of income at its discretion. It is the responsibility of the Customer to reapply on the anniversary date of the first application of the reduced rate hereunder.

It is the Customer's obligation to notify the utility within thirty (30) days once the Customer is no longer eligible for the Low Income Residential Electrical Service Rate. In the event it is determined that the Customer was not entitled to the reduced rate because the Customer did not provide accurate information the utility shall be entitled to recover all amounts to which it was entitled to under the regular rate schedules set forth in these Tariffs.

RATES

Customers that qualify for the Low Income Residential Electrical Service Rate will receive a 20% discount on their monthly bill. The rate option will be effective in the month following utility's approval of the application.

Customers receiving the program discount must verify eligibility every year. The Utility will notify the customer when reapplication or verification is required. Failure to provide the requested documentation within the specified timeframe may result in removal from the discounted rate until eligibility is reestablished.



SHEET NO. 26-27-NEM
CANCELING SHEET NO. 25-26-NEM

Rate Schedule NEM

NET ENERGY METERING PROGRAM

APPLICABILITY

This schedule is applicable to Eligible Customer-Generators, as defined in Section 2827 of the California Public Utilities Code, operating a renewable electrical generation facility, as therein defined, located on the customer's owned, leased, or rented Premises with a capacity of no more than one megawatt that is intended primarily to offset part or all of the customer's own electrical requirements and which is interconnected and operates in parallel with Utility's power system pursuant to an interconnection and metering agreement with Utility.

This Rate Schedule is available on a first-come, first-serve basis until the total rated generating capacity used by Eligible Customer-Generators exceeds 5% of Utility's aggregate customer peak demand established when the Solar Incentive program began. The NEM program is fully subscribed since June 30th, 2016.

Customers who have previously been approved for the Net Energy Metering Program will retain benefits of the NEM program until the expiration of their 20-year enrollment period, from the date the solar system interconnected to the grid.

Customers who move into premises with a system previously been approved for the Net Energy Metering Program will retained benefits offered by the NEM program for the remainder of enrollment period, from the original date the solar system interconnected to the grid. Increase in the generating capacity of systems subscribed to the Net Energy Metering program is not permitted.

RATES:

An Eligible Customer-Generator served under this schedule is responsible for all charges in its otherwise applicable rate schedule, including the Basic Service Fee, when applicable, regardless of the Customer's monthly or annual net generation.

Eligible Customer-Generators under this Rate Schedule are subject to any new or additional charges pursuant to the Customer's otherwise applicable rate schedule.



(CONTINUED)

SPECIAL CONDITIONS

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 13C of the Tariff.
2. Interconnection Agreement: In order for this schedule to apply, Customer must complete and sign the Island Energy Electric Interconnection Agreement for Electric Net Metering Service ("NEM Agreement"). This agreement contains additional terms and conditions, including without limitation, requirements relating to indemnification, insurance, and access to Customer's Premises.

3. Meter Requirements:

Utility shall own, operate, and maintain a bi-directional single meter on Customer's Premises, capable of registering the flow of electricity in two directions.

4. Billing:

- a. The monthly Net Energy Metering calculation shall be made by measuring the difference between the electricity supplied to Customer and the electricity generated by Customer and fed back to the grid over a normal one-month billing period.
- b. In the event that the electricity supplied by Utility during the one-month billing period exceeds the electricity generated by Customer during the same period, the Utility shall bill Customer for the net energy consumption during
- c. such billing period based on the Customer's Rate Schedule.
- d. In the event that the electricity supplied by Utility during the one-month billing period is less than the electricity generated by Customer during the same period, Customer is a net energy producer. If Customer is a net energy producer, any excess energy generated by the customer shall be carried forward to the following billing cycle as a monetary credit on the customer's account until the end of the 12-month period ending on the final billing date for March.
- e. If Customer terminates service prior to the end of a 12-month period ending on the final billing date for March, Utility shall reconcile Customer's consumption and production of electricity and bill Customer for Net Energy Metering charges, or if appropriate, issue a final payment for any excess generation, based on the applicable Net Surplus Compensation rate.

5. Net Surplus Compensation:



- a. If at the end of the applicable 12-month period ending on the final billing date of March, Customer is a Net Surplus Customer-Generator:
 - i. Utility shall retain any Net Surplus Energy generated by Customer, including any associated environmental attributes or renewable energy credits (“REC”), and Customer’s monetary value shall be reset to zero for the subsequent 12-month period.
 - ii. If Customer is eligible for Net Surplus Energy Compensation, such compensation shall be calculated over the 12-month period.
- b. In order to be eligible for Net Surplus Energy Compensation, Customer must: (1) elect a compensation option in Customer’s NEM Agreement; (2) certify that Customer has sole ownership of the environmental attributes and RECs associated with the energy generated from the Generating Facility; and (3) agree to transfer to Utility all rights, title, and interest Customer has to such environmental attributes and RECs.
- c. Utility’s Net Surplus Compensation rate shall provide just and reasonable compensation for the value of the Net Surplus Energy, while leaving other ratepayers unaffected.
- d. If Customer is eligible for Net Surplus Energy Compensation, Customer shall receive compensation pursuant to the method selected in Customer’s NEM Agreement. Customers are eligible to revise their net surplus energy compensation elections by giving written notice to IE at least thirty-days prior to the beginning of each succeeding 12-month period ending with the final billing date of March.

6. Net Surplus Energy Compensation Rate:

- a. Utility’s Net Surplus Energy Compensation Rate is based on Utility’s avoided cost for energy. Utility’s Net Surplus Energy Compensation Rate is set at the value provided in the table below. The General Manager shall review the Utility’s Net Surplus Energy Compensation Rate on an annual basis. If a Net Surplus Energy Compensation Rate is not adopted for any individual year, the most recently adopted Net Surplus Energy Compensation Rate shall apply.

Year	\$/kWh
From September 1, 2026 to June 30, 2027	0.0700



SHEET NO. 26-27-ERE
CANCELING SHEET NO. 25-26-ERE

Rate Schedule ERE

EXPORTED RENEWABLE ENERGY PROGRAM

APPLICABILITY

This schedule is applicable to Customer-Generators, operating a renewable energy generation facility located on the customer's owned, leased, or rented Premises with a capacity of no more than one megawatt that is intended primarily to offset part or all of the customer's own electrical requirements and which is interconnected and operates in parallel with Utility's power system pursuant to an interconnection and metering agreement with Utility.

This Rate Schedule is available to customer-generators who do not qualify for the Net Energy Metering Program (Rate Schedule NEM) because the total rated generating capacity by Eligible Customers-exceeds 5 percent of Utility's aggregate customer peak demand.

RATES:

All rates charged for delivered energy will be in accordance with the Customer-Generator's otherwise applicable rate schedule. Customer-Generator's will receive a credit for electricity exported to the power system at a rate based on the Utility's avoided cost as stated below except that the credits for exported energy in any given billing period shall not exceed the charges for delivered energy in that month. A Customer-Generator served under this schedule is responsible for all charges in its otherwise applicable rate schedule, including the Basic Service Fee, when applicable, regardless of the Customer's monthly or annual net generation.

Customer-Generators under this Rate Schedule are subject to any new or additional charges pursuant to the Customer's otherwise applicable rate schedule.



(CONTINUED)

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Agreement: In order for this schedule to apply, Customer must complete and sign the Island Energy Electric Interconnection Agreement for Exported Renewable Energy ("ERE Agreement"). This agreement contains additional terms and conditions, including without limitation, requirements relating to indemnification, insurance, and access to Customer's Premises.
3. Meter Requirements:
 - a. Utility shall own, operate, and maintain a single meter on Customer's Premises capable of registering the flow of electricity in two directions.
 - b. If the existing meter on Customer's Premises is not capable of measuring the flow of electricity in two directions or supplying time-of-use information, Customer shall be responsible for the expenses involved in the purchase and installation of the meter.
 - c. Utility, at its expense, may install additional meters. However, if such meters are installed, the measurement of delivered and exported energy shall yield an identical result to that of a single meter.
4. Billing:
 - a. There will be no charge for energy generated by customer's generating facility and consumed on by the customer at time of generation.
 - b. Customer will be billed for all energy delivered according to the otherwise applicable rate schedule.
 - c. Customer will receive a credit for exported energy below Customer's billing period maximum at a rate based on the Utility's avoided cost as stated below.
 - d. If a solar customer's bill credit exceeds his/hers monthly electric charge, any excess credits will be carried over to the next month. Utility will issue a cash payment for any excess bill credits at the 12th month billing cycle or when the customer moves out.
 - e. Customer is responsible for all taxes, fees and other charges for all delivered electricity
5. Exported Renewable Energy
 - a. Utility shall retain all Exported Energy generated by Customer, including any associated environmental attributes or renewable energy credits ("REC").
6. Net Surplus Energy Compensation Rate:
 - a. Utility's Exported Energy Compensation Rate is based on Utility's avoided cost for energy. Utility's Exported Energy Compensation Rate is set at the value provided in the table below. The General Manager shall review the Utility's Exported Energy Compensation Rate on an annual basis. If a Exported Energy Compensation Rate is not adopted for any individual year, the most recently adopted Exported Energy Compensation Rate shall apply.



Year	\$/kWh
From September 1, 2026 to June 30, 2027	0.0700



Electric Tariff

Applicable to

Island Energy

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Rate Schedule N:	Low Income Residential Electrical Service
Rate Schedule NEM:	Solar Customers on Net Energy Metering Program
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1. GENERAL INFORMATION

A. TERRITORY SERVED

Pittsburg Power Company, a public joint powers authority, also known as Island Energy, is a municipal electric Utility (“the Utility”) that supplies electric service for the entire area within the City of Vallejo city limits identified and referred to as “Mare Island”.

B. CONFIDENTIALITY OF CUSTOMER INFORMATION

The Utility will maintain the confidentiality of all customer information, including identification information and all data associated electric service and / or other related Utility service consumption, as required by law. Customers may request such information for their own use in writing from the Utility, and such data will be provided in a timely manner.

C. ELECTRIC MEASUREMENT

Measurements will be made by use of a standard electric meter furnished by the Utility unless otherwise specified on the rate schedules.

D. CONTRACTS

Whether or not the Tariff require a written contract, the Utility may require, in its sole discretion, a Customer to enter into a written contract as a condition to providing service. Contracts will be required when service is delivered under different rates, terms and conditions than set forth within the Tariff, in which event the Customer and the Utility shall acknowledge that the contract is in lieu of the Tariff.

E. INFORMATION AVAILABLE TO CUSTOMERS:

1) Tariffs

A copy of the Island Energy Gas and Electric Tariffs are available at the Utility’s office at 995 Walnut Avenue on Mare Island during normal business hours and can also be viewed online at www.islandenergy.com

2) Electric Service Rate Schedules

The rates to be charged by the Utility for electric service will be the rates in effect and at that time, as included in this Tariff document, on file in the Utility’s office and online at: www.islandenergy.com

3) Utility Standards

The Utility follows PG&E approved standards for all materials, design, construction, and services as set forth in the PG&E’s Greenbook.

2. DEFINITIONS

Applicant: A person or entity requesting the Utility to supply electric service, relocate electric facilities, or upgrade electric facilities.

Avoided Energy Cost: Cost to the Utility of electric energy or capacity or both which, but for the purchase from a qualifying renewable facility, such the Utility would generate itself or purchase from a non-renewable source.

Avoided Energy Cost Rate: Cost per Kilowatt-hour to the Utility of procuring renewable energy from a qualifying renewable facility, plus the renewable attributes cost per Kilowatt-hour associated with the renewable generation purchase.

Billing Period: A period of time during which Utility services are measured and for which such services are invoiced to Customers. The billing period will generally be between Twenty-Eight (27) to Thirty-Three (33) calendar days.

Cabling: Conductors, connectors, switches, and auxiliary equipment, as required by the Utility for construction of distribution facilities, connection to the Utility, relocation of facilities, or upgrade of electric facilities.

Conduit: Ducts, pipes or tubes of certain metals, plastics and other materials acceptable to the Utility, for the installation and protection of electric wires or cables. This shall include concrete encasements unless otherwise specified by the Utility's standards.

Customer: The person or entity in whose name service is rendered as evidenced by the signature on the application, contract, or agreement for that service, or, in the absence of a signed instrument, by the Utility's receipt of payment of bills regularly issued in that person's name.

Customer Contract: A contract that is entered into by and between the Utility and an Applicant for performing electrical transmission or distribution system work under the Tariff.

Customer Service Point: The point of connection where the facilities of the Utility and the wiring of the Customer's Premises meet and are connected.

Developer: A company (or individual) which develops land or changes and enhances the use of a parcel of land or an existing building for some new purpose within the service area of Utility.

Electronic Transfer: Paper-less exchange of data and/or funds, usually involving computer and telecommunications technology.

Eligible Customer Generator: A Customer who has a Renewable Electrical Generation Facility located on the customer's owned, leased, or rented Premises, and is interconnected and operates in parallel with the electrical grid, and is used primarily

to offset part or all of Customer's own electrical demands, consistent with Public Utilities Code section 2827(b)(4).

Eligible Expenses for Reimbursement: Eligible Expenses are defined as all necessary expenses incurred in the installation of new commercial electrical distribution systems, including but not limited to electrical equipment purchase, engineering, labor, 3rd party consulting and legal expenses, pursuant to a Customer Contract. Eligible Expenses do not include expenses incurred under the Customer Contract for excavation, conduits, substructures and protective structures. Applicant shall remain responsible for the cost of all relocation, rearrangement and removal work, unless the work qualifies for reimbursement under Section 6.L.

Exported Renewable Energy (ERE) Program: The successor program of the NEM program. Under the ERE program. The ERE program employs a billing mechanism that charges Eligible Customer-Generator applicable retail rate for each Kilowatt-hour taken from the Utility's grid, and compensates each Kilowatt-hour feed back to the grid at the Avoided Energy Generation Rate.

Inevitable Accident: An occurrence causing an interruption in service which is outside of the control of the Utility and which the Utility could not have prevented by the Utility's reasonable diligence in its operation of the subject facilities. Occurrences caused by the age of the Utility systems shall not be deemed preventable.

Mailed: Any notice or other communication will be considered "mailed" when it is sent electronically (email, text or other electronic format) or enclosed in a sealed envelope, properly addressed, and deposited in any United States Post Office box, postage prepaid. The postmark date for notices or other communication sent electronically will be considered the date the communication was sent.

Maximum Demand: The maximum amount of power (kW) drawn for any 15-minute interval during a billing period, as indicated or recorded by instruments installed, owned and maintained by the Utility.

Mixed Use Residential/Commercial Development: Any development which incorporates both residential and commercial uses i.e. first floor retail or educational and second or third floor residential.

Net Energy Metering (NEM) Program The Net Energy Metering Program allows Eligible Customer-Generator to bank and use the generated renewable electricity anytime over a 12-month period, instead of when the renewable electricity is generated.

Net Surplus Energy: The energy generated by an Eligible Customer-Generator measured in kilowatt-hours over a 12-month period that exceeds the amount of energy drawn by that Eligible Customer-Generator from the Utility's grid over the same 12-month period.

Net Surplus Energy Compensation Rate: Equal to or no greater than the Avoided Energy Cost Rate. The Net Surplus Energy Compensation Rate is calculated and updated by the Utility's annual rate case study

New Permanent Load: A New Permanent Load is a new load resulting from and/or benefited by the improvement or expansion of the existing electrical system pursuant to a Customer Contract.

Paid or Payment: Funds received by the Utility through postal service, the Utility payment office, credit card payments to the Utility, or deposited in the Utility bank account by electronic transfer.

Premises: All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided, excepting in the case of industrial, agricultural, oil field, resort enterprises and public or quasi-public institutions, by a dedicated or undedicated street, highway or other public thoroughfare or a railway. Automobile parking lots constituting a part of an adjacent to a single enterprise may be separated by an alley from the remainder of the Premises served. In the case of Premises on which a master meter is installed, Premises shall refer to all of those residences, dwelling units, mobile home spaces, stores, offices or other places of business for which the consumption of electricity is measured and assessed by the master meter.

Primary: Electric service that is taken at or above 2 kilovolts, but below 25 kilovolts provided that the service is taken from regularly available service voltages. The Utility retains the right to change the voltage level that is to be considered to be regularly available upon reasonable notice to the Customer.

Protective Structures: Curbs, fences, retaining walls, grading, sound barriers, posts, barricades and other structures as required by the Utility to protect its facilities or equipment.

Ready Access to Premises: Access to the Utility's facilities made available by the Customer or Applicant in a manner that is safe and unobstructed to the Utility personnel and vehicles. A Customer provides ready access when all animals on the Premises are restrained and there is no obstruction to the utility equipment.

Renewable Electrical Generation Facility: A facility that generates electricity from a renewable source listed in paragraph (1) of subdivision (a) of Section 25741 of the California Public Resources Code including biomass, solar thermal, photovoltaic, wind, geothermal, fuel cells using renewable fuels, small hydroelectric generation, digester gas, municipal solid waste conversion, landfill gas, ocean wave, ocean thermal, or tidal current, and any additions or enhancements to the facility using that technology.

Secondary: Electric service that is taken below 2,000 volts and service that does not qualify as primary.

Substructures: The surface and subsurface structures necessary to contain or support the Utility's electric facilities. These include but are not limited to such items

as splice boxes, pull boxes, equipment vaults and enclosures, foundations or pads for surface mounted equipment.

Temporary Service: Service for enterprises or activities which are temporary in character or where it is known in advance that service will be of a limited duration. Service which, in the opinion of the Utility, is for operations of a speculative character or the permanency of which has not been established, also is considered temporary service.

Vessel: A means of transportation on water used for recreational, navigational or commercial purposes.

3. ELECTRIC SERVICE

A. DESCRIPTION OF SERVICE

1) General

The character of service available at any particular location should be ascertained by inquiry at the Utility's office. The Utility's rate schedules are applicable for service where the Customer purchases its entire electrical requirements from the Utility, except when such rate schedules specifically provide otherwise. Alternating current service of approximately 60-cycle frequency will be supplied. Voltages referred to in the Tariff schedules are nominal voltages.

2) Utility Phase and Voltage Specifications

a) Standard Voltages

Standard voltages of the Utility are as follows:

(i) Transmission Voltages

Voltages of 115,000 volts and above are transmission voltages. For its operating convenience, the Utility may elect to supply a Customer from lines of transmission voltage.

(ii) Primary Voltages

Primary voltages are 12,000 volts, where available and applicable.

(iii) Secondary Voltages

Secondary voltages are 120, 120/208, 120/240, 240, 480, 277/480, 2400, 4160 and 6930 volts, where available and applicable.

(iv) Customer Utilization Voltages.

All Customer-owned utilization equipment must be designed and rated in accordance with the following utilization voltages specified by the American National Standard C84.1 if Customer equipment is to give satisfactory performance:

Normal Utilization Voltage	Minimum Utilization Voltage	Maximum Utilization Voltage
120	110	125
208	191	216
240	220	250
277	254	289
480	440	500

The difference between the service and utilization voltages describe voltage drop in Customer wiring and Utility operations.

b) Single-phase Service

- (i) For 120-volt services the maximum connected load allowed is one 15 amp plus one 20 amp branch circuit. The maximum motor allowed is a 1-1/2 hp motor.
- (ii) For 120/208 volt services the maximum connected load is a 400 amp main switch. Where the Utility maintains 4-wire connected service, the single-phase service shall be limited to a 100 amp main switch.
- (iii) For 120/240 volt services the maximum connected load is a 400 amp main switch. The maximum motor load allowed is a 10-hp motor.
- (iv) For 480 volt services the minimum connected load is 15 kVA and the maximum connected load shall be a 400 amp main switch unless prior Utility approval is obtained.
- (v) For 2400 volt services, and above, the minimum connected load and the maximum connected load will vary by location and will be subject to Utility approval.

c) Three-phase Service

(i) Minimum Connected Load

The minimum connected load requirement for 3-phase service is dependent on the nature and availability of the Utility's facilities at any specific location.

Volts	Maximum Demand Allowed	Maximum Main Switch Capacity Allowed
208	1,000 kVA	4,000 amperes
240	1,000 kVA	4,000 amperes
480	3,000 kVA	4,000 amperes

> 480	varies by location	varies by location

(ii) Balanced Loads

Loads on 3-phase service must be balanced between phases in accordance with good engineering practice, as determined by the Utility. In no cases will the load on any one phase exceed twice that on any other phase.

(iii) Excess Load

Loads in excess of the above stated loads may be served at the Utility's discretion. Check with the Utility for specifications required.

(iv) Utility Authority to Modify Specifications

The Utility may modify the voltage and phase specification due to service conditions at the location involved.

(v) Utility Authority to Limit Motor Size

The Utility may limit the size, and other characteristics, of the largest motor that may be operated in any part of its system.

3) Electric Service Protection Requirements

a) Motor Protection and Equipment

- (i) Motors and related equipment shall be equipped by the Customer to avoid any damage due to power outages and restorations of service, power surges, or high or low voltage fluctuations.
- (ii) Motors shall be equipped with protective equipment needed to protect against damage due to overheating.
- (iii) Three-phase motors shall be equipped to protect against damage due to reverse-phase and open-phase conditions.

b) Allowable Motor Starting Currents

The starting current drawn from the Utility's lines shall be considered the nameplate locked rotor current, or that guaranteed by the manufacturer. At its option, the Utility may determine the starting current by test, using a stop ammeter with not more than 15% over swing; or an oscillography disregarding the value shown for the first 10 cycles subsequent to energizing the motor.

The maximum connected load by service shall include, in the case of motor load, the starting current drawn from the Utility in addition to all other load.

At the Utility's sole discretion, the Customer may be required, at the Customer's expense, to install reduced voltage starting or other suitable means that limit the starting current to any motor.

c) Welder Service

Where electric welders are served the Utility may bill the Customer for any applicable demand charges based on a 60 second, 5 minutes, or 15 minute integrated demand basis in lieu of the normal demand billing period.

d) Power Factor

The Utility may require the Customer to provide, at the Customer's expense, equipment to increase the operating power factor at the Utility's service connection point to the Customer to not less than 90%, lagging or leading.

The Utility, at its sole discretion, shall be authorized to install kVAR metering along with kW metering where the Customer is, in the Utility's opinion, of sufficient size and may have a power factor such that billing in this manner is appropriate.

e) Wave Form

The Utility may require that the waveform of current drawn by Customer equipment of any kind be in conformity with good engineering practices (such as the requirements of the Institute of Electrical and Electronics Engineers' (IEEE) Recommended Practice 519).

4) Interference with Electric Service

a) Voltage Fluctuations

Customers who operate equipment that causes detrimental voltage fluctuations (including, but not limited to hoists, welders, radio transmitters, X-ray apparatus, elevator motors, compressors, and furnaces) must reasonably limit such fluctuations upon request by the Utility or discontinue service at the request of the Utility. The Customer will be required to provide corrective measures necessary to limit voltage fluctuations at its expense. Any damage resulting from voltage fluctuations shall be the responsibility of the Customer causing such fluctuations.

b) Arc Furnace

Any arc-furnace service installations are subject to the Utility's approval.

c) Current Imposition

Any Customer who superimposes a current of any frequency upon any part of that Customer's electrical system, other than the current supplied by the Utility, shall at that Customer's expense, prevent the transmission of such current beyond the Customer's electrical system.

d) Good Engineering Practice

Customers shall at all times comply with good engineering practices (such as the requirements of the Institute of Electrical and Electronics Engineers (IEEE) Recommended Practice 519) in order to minimize any detrimental voltage disruption.

B. TEMPORARY SERVICE

The Utility shall, upon determining that such Temporary Service will not result in undue or adverse hardship to its existing Customers, such as a condition of limited system capacity or excessive voltage drop, furnish Temporary Service under the following conditions:

1) Estimated Cost

The Temporary Service Applicant shall pay, in advance or otherwise as required by the Utility, the estimated cost of installation, plus the estimated cost of removal, less the estimated salvage of the facilities necessary for furnishing electrical service.

2) Applicant Credit

The Applicant shall establish credit as required by Section 4.B, except that the amount of deposit prescribed by Section 4.C shall not exceed the estimated bill for the duration of service.

C. SHORTAGE OF ELECTRICAL SUPPLY / INTERRUPTION OF SERVICE

1) Shortage and Interruption

The Utility will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of electric energy to the Customer, and to avoid any shortage or interruption of delivery of same. The Utility will not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby, if same is caused by Inevitable Accident, Act of God, fire, strikes, riots, war or any other cause not within its control. It shall be deemed to be beyond the control of the Utility where the interruption is due to an unanticipated failure of any part of the Utility's systems.

2) Temporary Suspension for Repairs

The Utility, whenever it shall find it necessary for the purpose of making repairs or improvements to its system, will have the right to suspend temporarily the delivery of electric energy. In all such cases, reasonable notice as circumstances will permit will be given to the Customer by telephone, communications mailed to the Customer, or publication in a local paper, and the making of such repairs or improvements will be performed as rapidly as may be practicable, and, if practicable, at such times as will cause the least inconvenience to the Customers.

In the event of a planned suspension of service for repairs or improvements where the Utility has complied with the notice provisions of this Section or the Customer otherwise receives actual notice, Utility shall not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby.

3) Apportionment of Supply during Time of Shortage

Should a shortage of supply ever occur, the Utility will apportion its available supply of electricity among its Customers in the manner that appears to the Utility to be most equitable.

4) Liability of the Utility for Shortage / Interruption

The Utility shall not, by acting pursuant to any portion of this Section, or any other provision of these Tariffs, be liable for any loss, damage, or injury, established or alleged, which may result or be claimed to result there from. In no event shall the Utility be responsible for consequential, indirect, special, incidental, punitive or exemplary damages, or damage or loss caused by reason of loss of use, loss of profits or revenues, or cost of capital.

D. ELECTRIC SERVICE TARIFF COMPLIANCE

1) Unauthorized Use

The Utility may discontinue service if the acts of the Customer or the conditions upon his/her Premises indicate intent to deny the Utility full compensation for services rendered, including, but not limited to, tampering or unauthorized use.

2) Use of Service Detrimental to Other Customers

The Utility will not provide service to electrical equipment of which would be detrimental to other electric service, as set forth by Industry Standards including, but not limited to, those published by the National Fire Protection Association (NFPA), Institute of Electrical and Electronic Engineers (IEEE), and the National Electrical Manufacturers' Association (NEMA), and will discontinue electric service to any Customer who continues to operate such equipment after being notified by the Utility to discontinue operation.

3) Fraud

The Utility may refuse or discontinue service if the acts of the Customer or condition on his/her Premises indicate intent to defraud the Utility.

4) Non-Compliance with the Utility's Tariffs

The Utility may discontinue service to a Customer in the event that the Customer fails to comply with any provision of these Tariffs after receiving written notice delivered to the Customer's billing address of Premises within seven (7) business days. The Utility may discontinue electric service at a Premise anytime with verbal communication only if a dangerous condition or a bona fide emergency is found to present immediate dangers to the occupants of the Premises.

5) Liability

The Customer shall be and remain liable for any and all damages caused to the Utility facilities or to third parties as a result of Customer's failure to comply with the requirements of these Tariffs or the proper use of Customer's equipment.

Nothing in any of these Tariffs is intended to create any new or additional liability to the Utility beyond that required by law. It is the intent of the Tariffs to limit the liability of the Utility to the greatest extent allowed by law, and to maintain for the Utility all applicable immunities and defenses allowed by law.

The Utility shall have no liability for any damage, loss or injury caused in whole or part by Applicant's or Customer's active or passive negligent act or omission or reckless, wanton or intentional act.

All of Applicant's or Customer's duties under each of these Tariffs involving safety, maintenance, repair or installation of facilities, including any duty to give notice to the Utility of conditions of the Facilities, shall also constitute a duty from the Applicant or Customer to all third parties with respect to those facilities, regardless of who owns or controls the facilities. Applicant's or Customer's failure to comply with these Tariffs shall constitute a breach of duty to any injured or damaged third party, and Applicant or Customer shall be liable to any injured or damaged third party for any such injury or damages.

If any portion of these Tariffs is determined by a court of competent jurisdiction to be illegal, it shall be severed from the Tariff and all other portions of these Tariffs shall remain in full force and effect. Each section of these Tariffs would have been adopted separately, even if any other section of the Tariffs had not been adopted.

6) Indemnification

The Customer or Applicant shall defend, indemnify and hold harmless Utility against any claim, demand, loss or liability arising out of or related in any way to Utility's electrical equipment or facilities located on the Customer's or Applicant's Premises, to the fullest extent allowed by law. This duty to defend, indemnify and hold harmless shall arise even in the case of the active or passive or sole negligence of Utility, or Utility's reckless, wanton, malicious, fraudulent or intentional acts or omissions.

4. APPLICATION FOR SERVICE

A. APPLICATION

1) General

- a) A Utility application for electric service is required. Each Applicant for service may be required to sign an application form, either online or paper copy provided by the Utility. The application forms may vary depending upon the type of service requested by the Applicant. Applicants who are qualified for special rates and/or services may be required to complete additional forms and provide support documents in accordance with the Utility's applicable Tariffs. Application form for electric service is available at www.islandenergy.com.
- b) The application is a request for service, and it does not bind the Utility to serve except under its Tariffs and under reasonable conditions. The application does not bind the Applicant to take service for a longer period than the minimum requirement of the Utility's Tariffs. The service Tariffs constitute the terms and conditions of the agreement between the Utility and the Applicant for service rendered, unless otherwise agreed to in writing.
- c) Pursuant to the Tariffs, the Utility may at its sole discretion assess the Applicant's ability to pay its electricity charges. Such assessment may include a credit check initiated by the Utility at the Applicant's expense, contact of commercial references, or other measures, as discussed and agreed between the Utility and Applicant.

2) Information Required on Application

Utility may require the Applicant to establish credit, all Applicants shall provide such other information as the Utility may reasonably require for service.

- a) This information includes, but is not limited to, the legal name of the Applicant(s), the name of the Applicant's spouse or other adults residing at the Premises, the service address, billing address, date service is wanted, whether electric service has previously been supplied to the Premises, whether Applicant is the owner, agent or tenant of the Premises, and the applicable rate schedule .
- b) In addition, the Applicant may be required to provide information necessary to the design, installation, maintenance and operation of the Utility's facilities, including the proposed end use(s), the connected load, the number of residential dwelling units/spaces, the size or character of the appliance or apparatus to be installed, and other information required under the Utility's applicable Tariffs.
- c) The Utility may also request credit information and authorization to run a credit check. Commercial and industrial accounts will be required to provide their North America Industrial Classification System (NAICS) Code(s).

e)d) The Utility may request supporting documentation to verify proof of ownership for new service requests. Acceptable documents may include a Final Settlement Statement, Recorded Grant Deed, or other legally recognized proof of ownership. All submitted documentation must demonstrate that the Applicant holds the legal right to establish service in their name at the requested service address as of the date provided on the application.

4)3) Changes in Load or Operation

It is the Customer's responsibility to notify the Utility in writing within fifteen (15) business days if the Customer makes any change in the connected load, in the number of residential dwelling units/spaces, or in the size or character of its appliances or apparatus. Such change(s) may require a new application for service and/or a change in the Utility's service facilities and may result in the Customer being transferred to a different Tariff schedule and payment obligations for service upgrades.

5)4) Joint and Several Liability for Service / Beneficial Use

Where two or more Applicants join in one application or contract for Utility service, they shall be jointly and severally liable under the terms of the application/contract and shall be billed by means of a single periodic bill mailed to the Customer designated to receive the bill.

6)5) False or Inaccurate Information

The Utility may refuse to provide service or may discontinue or disconnect service and/or may re-bill the account when:

- a) Information provided to the Utility on the application is false, incomplete, or inaccurate; or
- b) The Applicant has applied for service under a fictitious name or under the name of another to avoid payment of any Utility bill; or,
- c) The Applicant has requested service in his/her legal name to assist another in avoiding payment of any Utility bill; or,
- d) The Applicant and/or other adults residing with the Applicant have received the benefit of service without paying for it and are attempting to change the name on the account to avoid payment of any Utility bill.

In the event of a re-bill, the Utility shall provide the Applicant with the reason for such a re-bill.

B. ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

Each Applicant for metered service is required to establish their credit to the satisfaction of the Utility before service will be rendered.

1) Establishment of Credit

The Applicant's credit will be deemed established, if:

- a) Applicant is the owner of record or/and occupier in-fact of the Premises upon which the Utility is requested to furnish service.
- b) Applicant makes a deposit with the Utility to secure the payment of any bills for service to be furnished by the Utility under the application as provided in Section 4.C.

- c) Applicant has previously been a Customer of the Utility and has paid all bills for service for a period of 12 consecutive months immediately prior to the date when the Applicant for service previously ceased to take service from the Utility, provided such service occurred within two years from date of the new application for service.

2) Re-establishment of Credit

- a) An Applicant who has been an electric Customer of the Utility and whose service has been discontinued for failure to pay their electric bills within the last 12 months of service may be required to re-establish their credit by making monthly utility payment by money order, cashier check or credit card. .
- b) A Customer who fails to pay bills as provided in Section 4.D may be required to pay said bills and re-establish credit by making payment by money order, cashier check or credit card , , the amount provided for in Section 4.C.1.b . The requirement for the re-establishment of credit will apply regardless of service has been discontinued for such non-payment.
- c) Where the financial condition of a Customer has changed so that the Customer represents a potential credit risk; or where the Utility has received information that a Customer has left another Utility's service territory with a bill that was unpaid Ninety (90) days or more after the billing date, the Customer may be required, as a condition of continued service, to re-establish credit pursuant to Section 4.C.1.b.

C. DEPOSITS

1) Amount of Deposit

a) Establishment of Credit

The amount of deposit required to establish credit may be established by the Utility pursuant to an assessment of the Applicant's credit worthiness.

(i) Commercial

For commercial accounts covering gas and/or electric service, a deposit ~~is required, the amount of which shall normally be twice the Customer's maximum monthly bill, but no more than three times the Customer's monthly average bill, as estimated by the Utility for a business of similar size and character.~~ \$450.00 is required.

(ii) Residential

For residential accounts covering gas and/or electric service, a ~~flat rate deposit~~ of \$200.00 ~~deposit~~ will apply. This amount is deemed to be no more than twice the average monthly bill of ~~an~~ Utility residential customer.

The Utility will have sole discretion in determining the deposit amount, provided that the amount does not impose a hardship.

b) Re-establishment of Credit

The amount of deposit required to re-establish credit shall normally be twice the maximum monthly bill but may be as high as three times the Customer's maximum monthly bill, as determined by the Utility and in conformance to the rules stated in Section 4.C.1.

In addition, the Customer will be required to pay all amounts in arrears, all late payment fees, and a re-connection fee ~~of \$25.00~~ if service has been disconnected.

If service has been disconnected by any action other than the removal of a meter the reconnection fee shall be \$250.00 ~~instead of \$25.00~~. These fees shall be ~~doubled~~ increased if reconnection is requested by the Customer during times outside of normal work hours.

c) Return of Deposit

The Customer's deposit will be applied to the Customer's bill after 12 months of good payment history, if all Utility bills are paid on time and in full for that period.

d) Retention of Deposit

The Utility may retain the deposit longer than one (1) year if a Customer demonstrates late payment practices. If the service is discontinued by request of the Customer while a deposit is held, then the balance of any deposit remaining after the closing bill for service has been settled will be returned to the Customer by check.

Any outstanding deducted from the deposit and the service may be discontinued until the deposit is restored to the original amount. No interest will be earned on deposit.

D. RENDERING AND PAYMENT OF SERVICE BILLING

1) Rendering of Bills

Bills for service will be rendered either once a month, or as otherwise required for opening and closing bills, or as provided under applicable Tariff.

For billing purposes, each meter upon the Customer's Premises will be considered separately and readings of two or more meters will not be combined.

2) Basis of Usage Used in Billings

a) All Customers who receive metered service will be billed monthly. Meters are automatically read at regular intervals; each bill will be based on meter registrations, except as otherwise provided for herein.

b) Estimated consumption may be used as the basis for billings, except for the month ending with the actual meter read. The actual meter registrations shall

be used, less the estimated consumption used to calculate the previously estimated bills.

- c) If the Utility is unable to read the Customer's meter for technical or other reasons, the Utility may bill the Customer for estimated consumption during the billing period and make any necessary corrections when a reading is obtained. Estimated consumption for this purpose will be calculated considering the Customer's prior usage, the Utility's experience with other Customers of the same class in that area, and the general characteristics of the Customer's operations. Adjustments for any underestimate or overestimate of a Customer's consumption will be reflected on the first regularly scheduled bill rendered and based on actual reading following the period of estimation.

3) Payment of Bills

Bills for service are due and payable upon receipt. Payment shall be delivered to the office of the Utility by mail, phone, by electronic funds transfer (EFT) or delivered to an authorized individual of the Utility. ~~Bills rendered when the Customer's service is being removed, where the Customer is vacating the Premises, or when the Customer is discontinuing the service shall be paid in person or by check.~~

4) Payment Plan Arrangements

- a) The Utility may, at its discretion, allow a Customer with a past-due balance to enter into a payment plan arrangement. Participation requires the Customer to sign the payment plan agreement before it becomes effective.
- b) Under an approved payment plan, the Customer's monthly amount due shall consist of the current monthly charges plus an installment amount of the past-due balance equally divided over the agreed repayment period.
- c) The Customer must remain current on the monthly installment and all new charges billed during the repayment period. If the Customer fails to comply with the payment plan terms, the Utility may terminate the payment plan. Upon termination, the Customer becomes ineligible to enter another payment plan for a minimum of 12 months and will be subject to service disconnection.
- d) Other payment arrangements may be considered on a case-by-case basis and are granted solely at the Utility's discretion.

5) Delinquent Accounts Sent to Collections

Any customer account carrying a past-due balance of ninety (90) days or more and not enrolled in an active payment plan arrangement is subject to service disconnection and may be referred to collections at the Utility's discretion. The Utility will issue required notices prior to any disconnection or referral to collections in accordance with applicable regulations.

4)6) Form of Bill Transfer

At the mutual option of the Customer and Utility, bills may be transferred to Customers electronically ~~(EFT)~~. Customers requesting this service may be required to provide electronic information on their application form for utility services. Either party may discontinue electronic transfers with a Thirty (30)-day written notice.

5)7) Late Payment Fee

a) Late Payment Fee for Residential and Commercial Accounts

For residential and commercial accounts, if full payment is not postmarked or received within twenty (20) days after being mailed to the Customer shall be subject to a late payment fee of \$15.00 or 3 percent (3%) of the unpaid balance, whichever is greater.

b) Late Payment Fee for Municipal Accounts

For municipal accounts, if full payment is not postmarked or received within twenty-five (25) days after the bill is mailed to the customer may be subject to a one and one-half percent (1 ½%) late payment fee or penalty.

c) Late Payment Fee for State Agencies

Where an account serves a state agency and payment is not received within 50 calendar days after the date of mailing of a bill, the late payment charge will be at a rate of one (1%) percent above the rate accrued on June 30th of the prior year by the Pooled Money Investment Account (PMIA), but not to exceed 15 percent, all as set forth in Government Code Section 926.17(b)(1). Such rate may be applied to and accrue on a state agency account only after fifty (50) calendar days from the date the bill was mailed. The State of California shall be responsible for notification to the Utility as to which accounts serve state agencies. The provision of the above paragraph shall apply only after such notification.

d) Late Payment Fee for Large Government Contractors

When a Customer derives majority of his/her revenue from contracts with agencies of the federal government and its aggregated monthly Utility bills are in excess of \$25,000, the customer may apply to the Utility for designation as a large government contractor. Island Energy reserves the right to perform a full credit check prior to designating a customer as a large government contractor. For accounts held by large government contractors, if full payment not postmarked or received within fifty (50) Calendar days after the bill is mailed to the Customer shall be subject to a late payment fee of three percent (3%) of the unpaid balance of the original bill and shall be subject to the Discontinuation of Service provisions in the Utility's Tariff.

6)8) Returned Checks

Bills paid by a check that is returned due to insufficient funds or other bank issues shall be subject to Thirty Five (\$35.00) returned check charge. This charge will be added to the Customer's bill for each occurrence.

7)9) Waiving of Minimum Bills

If the Customer is unable to use the Utility's service by reason of civil protests, strikes, accidents, fires, or any cause beyond the Customer's control, the payment of the minimum charge may be waived by the Utility during the time the Customer is unable to use such service.

E. DISPUTES

1) Disputed Bill

- a) When a Customer disputes or questions their bill, they must first file a request with the Utility in writing. If the Customer ~~+~~ believes they have been billed incorrectly, they will be required to provide the bills and a written statement supporting their belief that their bill is incorrect to:

Island Energy
995 Walnut Avenue
Mare Island, CA 94592-0001

- b) To avoid having service turned off during the dispute the Customer must enclose payment for the full amount of the bill made out to Island Energy. If the Customer is unable to pay the amount in dispute, they must inform the Utility verbally or in writing of their inability to pay. Utility service will remain on until the Utility completes its review of the Customer's bill. The Utility will review the basis of the amount billed and communicate the results of its review to the Customer within 10 working days of receipt of the Customer's statement of dispute.
- c) If it is found that the Customer's bill was not overstated by more than 2%, the Customer's payment will be disbursed accordingly, ~~and the Customer will be assessed for a Twenty-Five Dollar (\$25.00) disputed bill charge during the next billing period.~~
- d) If it was found that the Customer's bill was overstated by more than 2%, the Utility will bear the cost of the investigation, and the Customer's overpayment will be promptly refunded or credited to the next month's bill, per the Customer's choice.

2) Termination When Bill is Disputed

A Customer ~~,~~ who does not pay the full amount due, even when subject to dispute, shall be subject to the same termination for non-payment terms and conditions as any other Customer.

F. DISCONTINUANCE OF SERVICE

1) Customer's Request for Service Discontinuance

- a) When a Customer desires to terminate their service, they shall submit a service termination form to the Utility at least two (2) business days before the specified termination date. A Customer may be held responsible for all service furnished at the Premises until the date of termination specified in the service termination form. The service termination form is available at www.islandenergy.com.
- b) In the event that a Customer terminates service under any rate schedule and re-initiates service under the same, or any other, rate schedule at the same location within 12 months, there will be a reconnection charge equal to the minimum charge which would have been billed had the Customer not terminated service.

2) Non-Payment of Bills

- a) A discontinuance of service notice for nonpayment of a delinquent account will be given in accordance with Section 5.A.2.
- b) A Customer's service may be discontinued for non-payment of a bill for service provided at any location served by the Utility if that bill is not paid in accordance with these Tariffs.
- c) If a Customer is receiving more than one service, any or all services may be discontinued when any service, regardless of location, is discontinued for non-payment.
- d) Prior to terminating service for non-payment of bills to multiple occupancy residential buildings, mobile home parks, and single-family residences where occupant is a renter, all procedures as required by law will be followed.
- e) The Utility will not terminate service to a Customer on any Saturday, Sunday, legal holiday, or at any time during which the business offices of the Utility are not accessible to the public. Service wrongfully terminated shall be restored without charge for the restoration of service, and a notification shall be mailed to the Customer at the billing address.

3) Unsafe Equipment

The Utility may discontinue service to a Customer when

- a) The Utility determines, using commonly accepted industry standards including, but not limited to, those published by the National Fire Protection Association (NFPA), Institute of Electrical and Electronic Engineers (IEEE), and the National Electrical Manufacturers' Association (NEMA), that the Premises' wiring, or other electrical equipment, or the use of either, is unsafe, or;
- b) Any governmental agency, authorized to enforce laws, ordinances, or regulations involving electrical facilities and/or the use of electricity, notifies the Utility in writing that the Customer's electrical facilities and/or use of electricity is unsafe or not in compliance with such laws, ordinance, or regulations.

4) Communications about Unsafe Equipment

- a) At the time of denial or discontinuance of service as stated in Section 4.F.2, the Utility will:
- b) Post a written notice, stating the reason for discontinuance and referring to this rule, at a conspicuous place at the Premises, or;
- c) Deliver the written notice to the occupant of the Premises in person, and
- d) Within 24 hours of service termination of service, send a copy of the written notice to the Customer at the billing address.

5) Restoration of Service

The Utility will not restore service until:

- a) The Utility determines the Customer's electrical wiring or equipment, or the use of either, has been made safe, or
- b) The Utility has received written notice from the appropriate governmental agency that the Premises meet applicable laws, ordinances or regulations. It is the Customer's responsibility to resolve any matter with the governmental agency.

6) Responsibility for Inspection

The Utility does not assume any responsibility for inspecting or repairing the Customer's wiring or other equipment or any part thereof and assumes no liability therefore.

G. CONTINUITY OF SERVICE DURING CUSTOMER TRANSITIONS

1) No Service Gaps

As a general practice, the Utility will maintain uninterrupted service whenever an outgoing customer ends service before a new customer's requested start date. Service shall remain energized unless safety or legal requirements require disconnection.

2) Revert-to-Owner (RTO) for Tenant Transitions

When a tenant requests to end service and no new tenant or property owner has requested service for the same date, the account automatically enters Revert-to-Owner (RTO) status. The property owner will be responsible for all usage and charges during the RTO period until a new customer establishes service.

3) Date of Service Transfer

When a property changes ownership and the Seller's stop-service date occurs before the Buyer's requested start date, the Utility may request the Seller and/or Buyer to provide documentation that confirms the property transfer date. The Utility may select either date provided to initiate the service transfer if proper documentation is not provided by the Buyer or Seller.

For tenancy changes, the Utility may request documentation, such as a signed lease agreement, from the property owner and/or tenant to process new service requests. New tenants should submit a New Service Request with a start date that matches their lease agreement.

4) Assignment of Billing Responsibility

- a) In RTO transitions, responsibility defaults to the property owner.
- b) In property owner transitions, such as the sale of a property, responsibility follows the legal property transfer date unless otherwise governed by law
- c) The Utility is not responsible for disputes between tenants, owners, sellers, or buyers.

5. NOTICES

A. NOTICES TO CUSTOMERS

1) General

When notices from the Utility to a Customer are required, they will be given in writing, either mailed, as defined in Section 2 ("Mailed"), to the Customer's mailing address, or delivered to Customer's service address. In case of emergency, the Utility may give verbal notices in person or by telephone.

2) Termination of Service Notice

- a) Payment for monthly bills for service are due and payable upon receipt and will be considered late if full payment is not received by the Utility by the first day of the following month.
- b) If full payment is not received prior to the date of the next bill, a Termination of Service Notice for nonpayment of a delinquent account will be included on the next monthly bill setting forth the date for termination as the first day of the following month.
- c) A separate notice will be sent to the service address when the occupants are renters and not responsible for the Utility bill. Additional notice will include information on renter's legal rights should Utility not receive payment.
- d) When no payment has been received by the Utility prior to two days before the termination date set forth in subsection a. above a written final service termination notice shall be posted in a conspicuous place at the Premises at least forty-eight (48) hours prior to termination of service.
- e) Prior to terminating service to Multiple Occupancy Residential Buildings and Mobile Home Parks, all procedures as required by law will be followed by the Utility.
- f) The Utility reserves the right to report any delinquency of payment to any appropriate credit reporting agencies and potential new Utility providers.

3) Third-Party Notification

- a) For residential Customers who are 65 years of age or older, or who are “dependent adults” as defined in section 15610.23 of the Welfare and Institutions Code (generally one who has physical or mental limitations that restrict his or her ability to carry out normal activities or to protect his or her rights), the Utility will attempt to notify a person designated by the Customer to receive notification when the Customer’s account is past due and subject to termination.
- b) The consent of the third party shall not incur any liability for the account by virtue of the fact he or she consents to receive such third-party notification.

B. NOTICES FROM CUSTOMERS

- 1) Notices from a Customer to the Utility may be given by written communication mailed to the Utility’s office, or physically delivered by the Customer, or the Customer’s agent, at the Utility’s office.

Any Customer may initiate a complaint or request an investigation concerning service or charges by delivering a written complaint or request setting forth all the facts necessary for the Utility to understand the nature of the complaint or request, including copies of any statements in issue.

6. ELECTRIC DISTRIBUTION SYSTEM PROJECTS

This Section is applicable to changes to electric distribution lines of the Utility’s standard voltages necessary to furnish permanent electric service to Applicants.

A. STANDARDS

The Utility follows PG&E standards for primary and secondary distribution lines. The Applicant should use the PG&E Greenbook to plan, design, and engineer primary and secondary distribution line projects.

B. OWNERSHIP

The facilities installed under the provisions of this Section up to the Customer Service Point, shall be owned, operated, and maintained by the Utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. POINT OF CONNECTION

The Utility shall determine the point on the Utility’s system from which any extension will be made.

D. PRIVATE LINES

The Utility may, at its sole discretion, sever an Applicant from connection facilities that are not owned, operated, and maintained by the Utility.

E. RIGHT OF WAY

Where new installations of, or changes to, electric distribution lines or facilities result in the need to locate such new facilities outside of Utility's existing easements, Applicant shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide Utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication of a Public Use Easement (PUE) as part of a subdivision or other map, for the purpose of conveying to the Utility an adequate easement for the maintenance, repair and replacement of the new or relocated facilities.

If service facilities must cross property owned by a third party to serve the Applicant, it is Applicant's responsibility to obtain and transfer to the Utility appropriate rights-of-way or easements, satisfactory to the Utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the Utility.

F. ROUTE OF LINE

The length and route of a primary or secondary distribution line project will be determined or approved by the Utility based on the distance along the shortest most practical, available and acceptable route which is clear of obstructions from the Utility's nearest permanent and available distribution facility.

G. APPLICATIONS AND CONTRACTS; EXCEPTIONS

1) Each Applicant for a primary or secondary distribution line shall be required to submit to Utility an application defining the project along with a ~~deposit in the sum of \$250.00~~ ~~payment is required to cover the cost of the~~ application fee. A deposit equal to 25% of the total estimated project cost is required before work begins. The remaining project costs will be invoiced on an ongoing basis until the full project cost has been collected. A late penalty equal to 10% of the total invoice amount will be assessed on any customer project invoice not paid by the stated due date.

4)2) Applicant shall execute a Customer Contract, if needed, prior to the Utility approving and participating in the project.

2)3) In the event a project for a primary or secondary distribution line has an estimated overall cost of \$250,000 or less, a Customer Contract may not be required provided given the following conditions are met:

- a) The Applicant signs a short-form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify Utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, and
- b) The Utility is to conduct ~~all-of-all~~ the work necessary for completion of the project, including the design and installation of all new facilities, and
- c) No transfer of title to facilities or easements is required.

3)4) Applicant and Utility may agree that Utility shall conduct ~~all-of-all~~ the work necessary for completion of the project, including the design and installation of all new facilities.

4)5) If the Utility is to conduct ~~all-of-all~~ the work as set forth under Section 6.G.32, Applicant shall remain responsible for all costs and expenses incurred by Utility. Further, Sections 6.H.2 through H.9 shall not apply.

H. APPLICANT RESPONSIBILITIES FOR NEW DISTRIBUTION FACILITIES

Applicant is responsible for providing or installing the following items at Applicant's expense by Qualified Personnel, as defined herein, prior to the Utility finalizing a primary or secondary distribution line, accepting dedication of the facilities, and connecting them to the Utility's facilities:

- 1) All necessary information to the Utility in order for the Utility to design the new, relocated or expanded facilities, including but not limited to improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any item that requires approval of the City of Vallejo must be approved before any construction begins. Where Utility agrees to allow Applicant to design the facilities, Applicant shall provide sufficient and accurate information to allow Utility to review and approve the design.
- 2) Coordination in joint trench planning and engineering with Qualified Personnel in conformance with Utility standards.
- 3) All necessary trenching, back filling, and other digging as required, subject to Utility inspection.
- 4) All substructures and conduits, subject to Utility inspection.
- 5) All poles and superstructures, subject to Utility inspection.
- 6) All wiring, cabling, switches, transformers, and other electrical equipment, all of which is to be installed by Qualified Personnel, and performed to the Utility's standards, and are to be subject to Utility inspection. The Applicant shall prepare the electrical connection to the Utility's facilities, but, will not make the final connection to the Utility's facilities.
- 7) All protective structures set forth in the Utility's standards, subject to Utility inspection.
- 8) All manufacturers' warranties commensurate with the Utility's standards, including a one-year warranty on all workmanship and normal operations on newly installed facilities.

Qualified Personnel shall mean personnel who:

- (i) Are technically competent to perform the work;
- (ii) Have access to, and utilize the proper equipment to perform the work;
- (iii) Have demonstrated financial responsibility commensurate with the scope of the work to be performed;

- (iv) Have adequate insurance coverage, such as workers compensation, liability and property damage;
- (v) Furnish a surety bond for performance of the work if required;
- (vi) Are licensed in California for the work being performed;
- (vii) Are properly qualified for specific skill required including, but not limited to, the State of California High Voltage Safety Orders (Title 8, Chapter 4, Subchapter 5, Group 2); and
- (viii) Comply with applicable laws including, but not limited to, Equal Opportunity Regulations, OSHA, and EPA.

I. UTILITY RESPONSIBILITIES FOR NEW DISTRIBUTION FACILITIES

The Utility will, at Applicant's expense:

- 1) Specify the point, or points, on the Utility system from which Applicant will extend distribution lines.
- 2) Design the distribution facilities such that they conform to the standards of the Utility as well as all applicable federal, state and local codes and ordinances for Utility installations (such as, but not limited to, the California Business and Professions Code). Where Utility agrees to allow Applicant to design the facilities, Utility shall review and approve the design submitted by Applicant.
- 3) Inspect facilities installed by Applicant.
- 4) Connect conductors to the Utility's facilities.
- 5) Make any necessary arrangements of the Utility's facilities to accommodate connection of Applicant's facilities.
- 6) Perform final testing prior to acceptance of the facilities.
- 7) Invoice Applicant on a monthly basis for all appropriate Utility costs incurred, as defined herein, as the project is worked on and completed, with a final invoice upon completion. If project is expected to be or a duration of sixty (60) days or less, Utility may choose to bill Applicant for all costs with a single final invoice upon completion.

J. DEDICATION OF FACILITIES

Upon acceptable testing and acceptance by Utility of the facilities for use in distribution of electricity, ownership of all such facilities shall be transferred to the Utility by a bill of sale.

K. REIMBURSEMENT POLICY IN NEW COMMERCIAL DEVELOPMENT

Utility will provide a monetary reimbursement to an Applicant who is a Qualified Developer for a percentage of those Eligible Expenses associated with and incurred in the construction and placement of new electrical transmission or distribution system or

systems which result New Permanent Load in excess of 150,000 kWh per month averaged over a 12 month period, in amounts stated in Rate Schedule NCE.

Such electrical transmission and/or distribution systems may serve commercial and industrial Utility customers or may be constructed to serve Mixed Use Residential / Commercial Development. Section K above applies to purely residential construction whereas this Section L includes mixed Use Residential/Commercial Development.

In addition, any reimbursement under this Section L shall be subject to the following:

- 1) Such reimbursements are subject to submission of approved Granting of Easement Applications, execution of a Customer Contract, Utility acceptance of the electrical systems, transfers of facilities to the Utility, dedication or grant of necessary easements to Utility and such other applicable terms and conditions set forth in these Tariffs.
- 2) Nothing herein is intended to provide for multiple reimbursements, and reimbursable amounts contributed to or advanced to an Applicant under conditions of any other rule will be reimbursed in accordance with the provisions of that rule only. There shall be no duplicating reimbursements under these Tariffs. If reimbursement is being sought under either Section 6.K or 14.D no reimbursement can be provided hereunder. Reimbursements under the various sections are mutually exclusive.
- 3) When two (2) or more parties make joint contributions or advances on the same new electrical transmission and/or distribution system, reimbursements will be distributed to these parties in the same proportion as their individual contributions or advances bear to the total Eligible Expenses.
- 4) Any determination by the Utility as to what constitutes an Eligible Expense shall be final and binding on all Applicants. Any relocation or rearrangement of Utility's existing facilities, at the request of an Applicant, shall be at the Applicant's expense or reimbursable under Section 14D.

L. UTILITY EXPENSE; CONTRACT LABOR AND OVERHEAD

All costs and expenses incurred by the Utility under Section 6 herein shall be fully reimbursed to the Utility by Applicant as such charges are incurred and billed for by the Utility. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

7. CUSTOMER SERVICE CONNECTIONS

This Section is applicable to the connection of new Customers to the Utility's distribution system at standard Utility primary and secondary voltages necessary to furnish electric service to Applicant.

A. STANDARDS

The Utility follows PG&E standards for primary and secondary distribution lines. The Applicant should use the PG&E Greenbook to plan, design, and engineer primary and secondary distribution line projects.

B. OWNERSHIP

The facilities installed under the provisions of this Section up to the Customer Service Point, shall be owned, operated, and maintained by the Utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. PRIVATE LINES

The Utility may, at its sole discretion and under certain terms and conditions, sever an Applicant from connection facilities that are not owned, operated, and maintained by the Utility.

D. RIGHT OF WAY

Where new installations of, or changes to, electric distribution lines or facilities result in the need to locate such new facilities outside of Utility's existing easements, Applicant shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide Utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication of a PUE as part of a subdivision or other map, for the purpose of conveying to the Utility an adequate easement for the maintenance, repair and replacement of the new or relocated facilities.

If service facilities must cross property owned by a third party to serve Applicant, it is Applicant's responsibility to obtain and transfer to Utility appropriate rights-of-way or easements, satisfactory to the Utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the Utility.

E. TEMPORARY SERVICE

Facilities for temporary service shall be installed in accordance with this Section 7. The Applicant shall be responsible for all costs related to the design, installation and removal of requested facilities.

F. APPLICATIONS AND CONTRACTS; EXCEPTIONS

- 1) Each Applicant for a Customer connection shall be required to submit to the Utility for its consideration and approval an application defining the project along with a deposit-customer project application fee in the sum of Two Hundred Fifty Dollars (\$250.00), after which ~~t~~The Applicant shall execute a Customer Contract prior to the Utility approving and participating in the project.

A minimum deposit equal to 25% of the total estimated project cost is required before work begins. The Utility reserves the right to apply the refundable portion of the deposit towards unpaid project invoices. The remaining project costs will be invoiced on an ongoing basis until the full project cost has been collected.

A late penalty equal to 10% of the total invoice amount will be assessed on any customer project invoice not paid by the stated due date.

- 2) In the event a project for a Customer connection has an estimated overall cost of \$~~2510~~,000.00 or less, a Customer Contract may not be required provided,
 - a) The Applicant signs a short form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify Utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, and
 - b) The Utility is to conduct all of the work necessary for completion of the project, including the design and installation of all new facilities, and
 - c) No transfer of title to facilities or easements is required.
- 3) Applicant and Utility may agree that Utility shall conduct all the work necessary for completion of the project, including the design and installation of all new facilities.
- 4) If the Utility is to conduct all the work as set forth under Section 7.F.2 or F.3, Applicant shall remain responsible for all costs and expenses incurred by Utility. Further, Sections 7.I.2 through I.9 shall not apply.

G. OBLIGATION OF CUSTOMER TO PROVIDE ACCESS

- 1) The Applicant / Customer shall be responsible for providing the Utility with ready access to the Premises.
- 2) The Utility shall at all times have the right to enter and leave Applicant's / Customer's Premises for any purpose connected with the furnishing of electric service. The purposes include, but are not limited to, meter reading, inspection, testing, routine repairs, replacement, maintenance, emergency work, and the exercise of any and all rights secured to it by law, or under the Utility's Tariffs.
- 3) If the Utility determines that its access to Premises is impaired then the Applicant/Customer will at their expense either correct the access or clearance infractions or pay the Utility its costs to relocate the facility to a new location which is acceptable to the Utility. Applicant/Customer will be responsible for the expense of such relocation along with any expense that is incurred in relocating non-Utility facilities. Failure to comply with corrective measure within 30 calendar days of notification by the Utility can result in discontinuance of service.

H. CONNECTIONS TO UTILITY EQUIPMENT

Only Utility staff authorized by the Utility are allowed to connect or disconnect service conductors to or from the Utility's facilities, remove meters, remove the Utility owned facilities, or perform any work upon the Utility owned facilities. Failure to abide by this provision may result in discontinuance of service and may result in additional legal actions taken by the Utility.

I. APPLICANT RESPONSIBILITIES FOR SERVICE INSTALLATION

Applicant is responsible for providing and installing the following items at Applicant's expense by Qualified Personnel, conforming to the Utility's standards prior to the Utility connecting the Customer to the Utility's facilities:

- 1) All necessary information to the Utility in-order for the Utility to design the new, relocated or expanded facilities. Such information may include but is not limited to, improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any item that requires approval of the City of Vallejo must be so approved before any construction begins.
- 2) Coordination in joint trench planning and engineering with Qualified Personnel in conformance with Utility standards.
- 3) All necessary trenching, back-filling, and other digging as required, subject to Utility inspection.
- 4) All substructures and conduits, subject to Utility inspection.
- 5) All poles and superstructures, subject to Utility inspection.
- 6) All wiring, cabling, switches, transformers, meter bases and other electrical equipment required to complete the connection of the Applicant's facilities to the Utility's distribution system, subject to Utility inspection. The Applicant shall prepare the electrical connection to the Utility's facilities but will not make the final connection to the Utility's facilities.
- 7) All protective structures set forth in the Utility's standards, subject to Utility inspection.
- 8) All manufacturers' warranties commensurate with the Utility's standards, including a one-year warranty on all workmanship and normal operations on newly installed facilities.
- 9) Provide the Utility with evidence that all required local government inspections have been satisfactorily cleared before requesting connection.

J. UTILITY RESPONSIBILITIES FOR SERVICE INSTALLATION

The Utility will, at Applicant's / Customer's expense:

- 1) Determine the point on the Utility's system at which the connection will be made.
- 2) Design the distribution facilities such that they conform to the standards of the Utility as well as all applicable federal, state and local codes and ordinances for Utility installations (such as, but not limited to the California Business and Professions Code).
- 3) Inspect facilities installed by Applicant / Customer.
- 4) Connect conductors to the Utility's facilities.
- 5) Make all necessary arrangements for the Utility's facilities to accommodate connection of Applicant's facilities.

- 6) Invoice Applicant on a monthly basis for all Utility costs incurred as the project is worked on and completed. All invoices shall include a detailed breakdown for the costs incurred.

K. DEDICATION OF FACILITIES

Upon acceptable testing and acceptance by the Utility of the facilities for use in distribution of electricity, ownership of all such facilities shall be transferred to the Utility.

L. METERING FACILITIES

1) General

The Applicant is responsible for the installation of a meter base that meets the Utility's standards and that will accommodate a Utility meter(s) unless the service connection was installed by the Utility.

The Utility will meter the delivery of all electric power and energy, unless otherwise provided for in the Utility's Tariffs.

All Utility meters and associated metering equipment shall be located at some protected location on the Applicant's Premises as approved by the Utility.

The load served at each meter location shall be clearly designated by the Customer. Load served behind one meter may not be transferred to be served by another meter unless the Customer received prior Utility approval.

2) Number of Meters

A single meter is required for each single enterprise operating in one building or group of buildings or other development on a single Premises such as, but not limited to, a commercial business, school campus, industrial manufacturer, residence, or recreational vehicle or mobile home park, unless otherwise approved by the Utility.

The Utility will normally install only one meter for each Premises except:

- a) When otherwise required or allowed under the Utility's rate schedules,
- b) When determined by the Utility, for its operating convenience to be consistent with its engineering design,
- c) When required by law or local ordinance; or,
- d) When additional services are granted by the Utility.

3) Master Metering

Master metering may be approved if, in the determination of the Utility, master metering is in the best interest of the parties involved. However, if the master

meter Customer sub-meters and furnishes electricity to individual tenants, the rates and charges to the tenant must not exceed those charges that would apply if the tenant were purchasing electricity directly from the Utility.

4) Multiple Occupancies

In a building with two or more tenants, or where the Utility furnishes more than one meter on the same Premises, the Utility's meters shall normally be grouped at one central location or as otherwise specified by the Utility. In such cases each meter position or socket shall be clearly and permanently marked by the Applicant, Customer, or owner of the Premises to indicate the particular unit, occupancy, or load supplied by it.

M. REQUIRED CONNECTION EQUIPMENT

The Applicant, or Customer, shall, at their sole liability, risk and expense, is responsible to furnish, install, own, maintain, inspect, and keep in good and safe condition, all facilities of any kind or character on Applicant's or Customer's Premises that is not the responsibility of the Utility but are required for the Applicant or Customer to receive service. Such equipment shall include but not be limited to termination equipment, conduits, conductors and all equipment within all buildings, connectors, meter bases and sockets, relays, meter and instrument transformer housing, service switches, circuit breakers, fuses, wire ways, metered conductors, machinery and apparatus of any kind or character.

N. COORDINATION

When, as determined by the Utility, Applicant's or Customer's load is of sufficient size as to require coordination of response time characteristics between electrical devices (circuit breakers, fuses, relays, etc.), it will be the Applicant's responsibility to provide such coordination.

O. LIABILITY

The Utility shall incur no liability for damage, loss or injury occasioned by:

- 1) Applicant or Customer owned equipment in support of Applicant's or Owner's transmission and delivery of energy, or;
- 2) The active or passive negligence, omission of proper protective devices, want of proper care, or wrongful act of Applicant or Customer or any of Applicant's or Customer's agents, employees or licensees in installing, maintaining, using, operating or interfering with the Utility's equipment.

P. FACILITY TAMPERING

The Applicant or Customer shall provide a suitable means acceptable to the Utility for placing the Utility's seals on meter rings and covers of service enclosures and instrument enclosures that protect unmetered and energized conductors. Only Utility authorized employees shall be authorized to break such seals once installed.

However, in an emergency the Utility may allow a public authority or other appropriate party to break the seal.

Any unauthorized tampering with Utility seals or connection of Applicant or Customer owned facilities to unmetered conductors is prohibited and is subject to discontinuance of service and a fine of a hundred thirty-five dollar (\$135.00) for facility tampering..

Q. BUILDING CODE REQUIREMENTS

Any service equipment and other related equipment owned by the Applicant or Customer as well as any vault, room, enclosure, or lifting facilities for the installation of the Utility equipment, shall conform to applicable laws, codes, and ordinances of all governmental authorities having jurisdiction.

R. REASONABLE CARE

Applicant or Customer shall exercise reasonable care to prevent the Utility's electrical equipment and related facilities that are located on the Applicant's or Customer's Premises from causing or suffering damage, destruction or interference, and will inform the Utility of any such potential or actual damage, destruction or interference immediately. Applicant or Customer may be required to install protective devices, including a mechanical protection (barrier posts, etc.), suitable to the Utility if the Utility deems it appropriate.

Applicant or Customer must also install any protective devices necessary to protect itself and third parties from suffering injury or damage from, or causing damage to, the Utility's electrical equipment and related facilities. However, Utility reserves the right to require modification or removal of such protective devices if such protective devices interfere with Utility's provision of services or control of Utility's facilities.

S. GOVERNMENT INSPECTION

The Utility will only establish service to the Applicant or Customer following notice from governmental authority having jurisdiction that the facilities have been installed and inspected in accordance with any applicable laws, codes, ordinances, rules or regulations, and are safe to energize.

T. DAMAGED FACILITIES

When others damage the Utility's facilities, the repair will be made by the Utility at the expense of the party responsible for the damage. Applicants and Customers are responsible for repairing their own facilities.

U. RELOCATIONS AND REARRANGEMENTS

The Customer shall be responsible for the costs incurred by the Utility for any relocation or rearrangement of Utility equipment that is the result of any work conducted, or caused to be conducted by the Customer within the Utility's service territory. Any change to the Utility's system required under this section will be subject to the application and construction process described in Section 6 as applicable.

V. LOAD INCREASES

The Customer shall be responsible for the costs incurred by the Utility to meet any load increase at the Customer's facilities, plus any repair of any damage suffered due to the Customer overloading the Utility's equipment.

W. UTILITY EXPENSE; CONTRACT LABOR AND OVERHEAD

All costs and expenses incurred by the Utility under Section 7 shall be fully reimbursed to the Utility by the Customer. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

8. NON-STANDARD / SPECIAL UTILITY FACILITIES

A. GENERAL

Special Facilities are considered to be existing, enlarged or new facilities installed, used and/or maintained by the Utility at the Applicant's request in addition to, as enlargements of, as an alternative to, or in substitution for, the standard facilities which the Utility would install, maintain or use and which impose additional costs to the Utility.

These facilities can include but are not limited to; power quality conditioning equipment, peaking equipment, Customer connection costs, installation and/or maintenance of facilities downstream of the meter, facilities where the cost is in excess of the standard connection costs, and alternate service equipment.

Except where provided by rate schedule, installation and/or maintenance of special facilities will be made at the Utility's option, provided the type of special facilities requested is acceptable to the Utility and the Utility agrees to the installation and/or maintenance of the special facilities, under the conditions set forth in this Section.

B. CUSTOMER STATUS

A Temporary Service customer will not be eligible to apply for Special Facilities.

C. UTILITY LIMITATIONS

The Utility shall install or/and maintain the requested facilities as long as the facilities do not pose, in the determination of the Utility, a hardship on the Utility.

D. BASIS OF COST

The Applicant is required to execute a contract with the Utility for installation and/or maintenance of Special Facilities. In addition to providing for the payment of charges as determined under Rate Schedule CPS, the contract will provide for the following:

An estimate of the cost of the special facility that the Applicant is requesting the Utility to install and/or maintain; and,

An up-front payment for the estimated cost of equipment and materials that need to be purchased for these special facilities.

E. PAYMENT SCHEDULE

At the mutual agreement of the Utility and the Customer, a contract may be entered into that will provide charges and fees established by to Rate Schedule CPS. .

F. CONTRACT RESPONSIBILITIES

If the Utility is required to alter or rearrange the Special Facilities, including but not limited to the conversion of overhead facilities to underground, Applicant shall be

notified of such necessity and shall be responsible for all costs the Utility incurs in converting this service or shall terminate service under this agreement.

G. OWNERSHIP OF EQUIPMENT

At all times, Special Facilities shall remain the property of the Utility.

H. TERMINATION PROVISIONS

The Applicant may terminate a Special Facility contract upon thirty (30)-day notice to Utility unless otherwise specified in the contract between the Customer and the Utility.

9. METER TESTS AND ADJUSTMENTS OF BILLS

A. GENERAL

When regular, accurate meter readings are not available or the electric usage has not been accurately measured, the Utility may estimate the Customer's energy usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use and the general characteristics of the Customer's load and operation.

B. METER TESTS

Any Customer may, upon not less than 15 business days' notice, require the Utility to test the accuracy of any meter through which service is provided to the Customer. If the meter test finds that the meter in question is operating accurately, the Customer shall be charged for a meter test fee of \$55.00 once the result is concluded and the result is provided to the customer. .

The Customer shall have the right to require the Utility to conduct the test on the meter serving that Customer in the Customer's presence, or in the presence of an expert or other representative appointed by the Customer at the time of the request for a meter test.

All meters will be tested at the time of their installation and no meter will be placed in service or allowed to remain in service that has an error in registration in excess of 2% under conditions of normal operation.

C. ADJUSTMENT OF BILLS FOR METER ERROR

A meter error is incorrect kilowatt-hour, kilovar-hour, or demand registration resulting from a malfunctioning or defective meter. It does not include billing error, unauthorized use, or an error in registration caused by meter tampering by an unauthorized person.

Meter error also does not include conditions such as grounds, shorts, incorrect meter readings, meter dial-overs, improper load wiring (including other Customers' circuits connected to the wiring), accounting errors, switched meters, improper Customer wiring, blown fuse in one energized conductor, or incorrect meter sizing.

Where meter error is discovered as the result of a meter test initiated by either the Customer or the Utility, the Utility may render an adjusted bill to the Customer for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, computed back to the date that the Utility determines the meter error commenced, except that the period of adjustment shall not exceed one year.

D. ADJUSTMENT OF BILLS FOR BILLING ERROR

A billing error is an error by the Utility that results in incorrect billing charges to the Customer. Billing errors may include incorrect meter reads or clerical errors by a Utility representative such as applying the wrong rate, wrong billing factor, or an incorrect calculation. Billing error does not include meter error or unauthorized use, nor any error in billing resulting from meter dial-over caused by other than the Utility, switched or mismarked meters by other than the Utility, inaccessible meter, failure of the Customer to notify the Utility of changes in the Customer's equipment or operation, or failure of the Customer to take advantage of a rate or condition of service for which the Customer is eligible.

Where the Utility overcharges or undercharges a Customer as the result of billing error, the Utility may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, for the period of the billing error, but, not exceeding one year.

E. ADJUSTMENT OF BILLS FOR UNAUTHORIZED USE

Unauthorized use is the use of energy in noncompliance with the Utility's Tariffs or applicable law. It includes, but, is not limited to, meter tampering, unauthorized connection or reconnection, theft, fraud, intentional or unintentional use of energy whereby the Utility is denied full compensation for electric service provided.

Where the Utility determines that there has been unauthorized use of electric service, the Utility may bill the Customer for the Utility's estimate of such unauthorized use. Such estimated billing shall indicate unauthorized use for the most recent three (3)-years, plus a minimal fine of \$135.00 for unauthorized uses of the Utility's facilities.

F. LIMITATION ON ADJUSTMENT OF BILLS FOR ENERGY USE

For any error in billing not defined as billing error, meter error, or unauthorized use, the Utility is not required to adjust the bill. However, any billing adjustment not specifically covered in the Tariffs for an undercharge or overcharge shall not exceed one year.

G. INTEREST ON BILLS FOR UNAUTHORIZED USE

The Utility will bill and collect interest at a rate which is the lesser of eighteen (18) percent per annum on unauthorized use billings from the date the unauthorized use commenced, or the maximum interest allowed by law, as well as on any amortized repayment agreements.

H. RECOVERY OF ASSOCIATED COSTS FOR UNAUTHORIZED USE

The Utility will bill and collect the associated costs resulting from the unauthorized use including, but not limited to, investigation, repair and equipment damage costs.

10. SUPPLY TO SEPARATE PREMISES AND RESALE

A. SEPARATE METERING

Separate Premises, even though owned by the same Customer, will not be supplied through the same meter, except as may be specifically provided for in the rate schedules.

B. MARINAS AND SMALL CRAFT HARBORS

The Utility will furnish electrical service to a privately or publicly owned marina or small craft harbor through a master-meter. The master-meter Customer may sub-meter tenant usage aboard a vessel moored in an individual boat slip or berth at the marina or harbor but may not sub-meter any other tenant usage (e.g., stores, gas pumps on docks, or any land-based facility).

If the master meter Customer sub-meters and furnishes electricity to individual boat slips or berths for tenant usage aboard a vessel, the rates and charges to the tenant must not exceed those charges that would apply if the tenant were purchasing electricity directly from the Utility.

C. OTHER USES AND PREMISES

A Customer shall not furnish or use electricity received from the Utility upon other Premises, except for the Utility's operating convenience, or for other purposes than those specified in the Customer's application for service or in the applicable rate schedule.

Sub-metering of electricity is prohibited except as provided for in this Section.

In the event that electricity is sub-metered other than as provided for in this Section, the Utility may either discontinue service to the Customer, or furnish electricity directly to the sub-metered entity at the Utility's option.

11. SPECIAL SERVICES AT CUSTOMER'S REQUEST

A. SPECIAL SERVICES AT CUSTOMER'S REQUEST

The Customer may, at its discretion, request the Utility, and the Utility, at its discretion, may perform an investigation of the Customer's electrical system on the Customer's side of the meter. Any such investigation shall be conducted at a fee in accordance with rate schedule MISC. The Customer shall be informed of an estimate of these fees in advance of the investigation.

~~1) A Customer may request information from the utility, such as meter data, usage reports or copies of previous billings. The fee for copies of previous billings is \$25.00 plus \$0.10 per page.~~

~~2)1) For analysis of electrical demand and consumption profile, t~~
The fee for investigation of customer meter data, usage analysis and reporting, depends on the time needed and the extent~~siveness~~ of the investigation.~~;~~ ~~C~~ustomers who ~~requested for request~~ such services ~~should will~~ be charged in accordance with rate schedule MISC,~~;~~ but each investigation ~~should shall~~ not exceed ~~Onea H~~undred dollars (\$100.00) for residential and Five Hundred dollars (\$500.00) for commercial per investigation. ~~The A \$55.00~~ meter test fee ~~may~~ apply, ~~as well~~ if applicable.

12. DEPARTING LOAD – INVESTMENT RECOVERY CHARGES

A. GENERAL

The provisions under this Section describe the Utility's right to recover the cost of its stranded investments (Investment Recovery Charges – "IRC's") incurred for the benefit of Customers who were served by the Utility but have ceased Utility Service by means of third-party electric supply or self-generation ("Departing Load").

B. PURPOSE

The purpose of this Section is to ensure that the repayment of certain major expenses incurred by Utility in reliance on the committed Customer load at the Starting Date and the anticipated load growth due to the redevelopment of Mare Island do not shift to the remaining Customers as a result of a withdrawal from service in whole or in part by a Customer or group of Customers.

The provisions under this Section shall be applicable to Customers who were served by the Utility on or after August 2nd, 2008 ("Starting Date"), but have commenced receiving all or a portion of their electrical load from energy supply parties other than Island Energy, or self-generation by cogeneration, renewable technologies or any other type of self-generation that is dedicated wholly or in part to serve all or a portion of a Customer or group of Customers' load while the Customers physically located at the same location or remain within Island Energy's service area on or after August 2nd, 2008.

C. IRC COMPONENT DEFINITIONS

"Investment Recovery Charges" (IRC's) consist of the following components:

1) Outstanding Power Purchase Costs ("OPPC")

OPPC represent the difference between the resource costs under the power purchase contract in existence on the departure date and the market price as determined under section 6 below.¹ These are commitments that were entered into during the period of time the Departing Load Customer was served by the Utility

¹ Negative values shall not be taken into consideration.

and that extended beyond the last day of service to the Departing Load Customer (“Departure Date”).

2) Capital Improvement Debt (“CID”)

CID represents the costs of capital projects that the Utility undertook to develop infrastructure to serve Customers during the period of time the Departing Load Customer was served by the Utility. The cost of the CID is calculated by dividing the cumulative debt incurred by the Utility for such projects by the anticipated load for the area.²

3) Operational Financial Assistance (“OFA”)

OFA are those financial assistances from Pittsburg Power Company made necessary to support Island Energy’s on-going operation and to provide safe and reliable services to Customers during periods of time when these necessary expenses were not covered by the revenues received by Utility and the Departing Load Customer was served by the Utility.

4) Public Benefits Program (“PBP”)

The PBP charge is a usage-based and non-bypassable charge required by law to support energy related Public Benefits Programs in energy efficiency, renewable technology, low-income and RD&D that might not otherwise be Funded.

D. DEPARTING LOAD AGREEMENT

Departing Load Customers shall sign a Departing Load Agreement with the Utility at least fifteen (15) business days before the Date of Departure. The Utility shall provide the Departing Load Agreement to the Customer after the receipt of the Notice of Departure. Whether a Departing Load Customer signs the Departing Load Agreement or not, such Customer will be deemed to have agreed to the terms of the Departing Load Agreement and terms stated in this Tariff by taking retail service from the Utility on or after August 2nd, 2008.

E. NEW OCCUPANCY IN DEPARTING LOAD PREMISES

When a Departing Load Customer moves to a new location outside the Utility’s service area as it existed on or after August 2nd, 2008, the obligation of the Investment Recovery Charges to that Customer will cease. New occupants who move into the Utility’s service area and resume such services from sources other than Island Energy will be subject to the IRC.

F. DEPARTING LOAD METER DATA

² Area is broken down into the north island and the south island, the dividing line being G Street. Capital improvement projects undertaken for the sole benefit of the north island shall be reimbursed by north island customers only. I.E. Section 6.L. Otherwise the “Area” will be defined as the entire service area for Island Energy.

The Departing Load Customer's OPPC, CID, OFA and PBP obligations will be calculated based on metered consumption. Customers shall provide meter consumption data to the Utility after the Customer's load is served by sources other than the Utility; subject to the Utility's verification to assure reliability of such consumption data and/or information.

- 1) If metered consumption is not available, then the Departing Load Customer's monthly consumption estimates will be based on the Customer's historical load by one of the following methods:
- 2) For Departing Load Customers with a load history less than 12 months prior to receipt by the Utility of the Notice of Departure, the average of previous usage history will be used to project future consumption.
- 3) For Departing Load Customers with a minimal 12-month load history, the average of the 12-month period prior to the receipt by the Utility of the Notice of Departure will be used to project future consumption.
- 4) For Departing Load Customers with 36 months or more of usage history, the average 12-month energy usage, with such average measured over the prior 36 months of usage, will be used to project future consumption.
- 5) In the event the 12-month average usage differs from the 36-month average usage by more than 25%, the 36-month average will be used unless there is sufficient evidence to demonstrate that the 12-month usage is more indicative of the Customer's future electric usage, and then the 12-month average will be used to project the Customer's future electric requirement.

G. INVESTMENT RECOVERY CHARGES CALCULATION

1) Outstanding Power Purchase Costs

OPPC is the monetary difference per kWh between power purchase price under committed contracts in effect as of the Departure Date and the Market Price Benchmark as determined pursuant to Section 4.B. The OPPC of Departing Load is calculated by multiplying the Customer's monthly consumption by the monetary difference between the Utility's applicable utility rates and market price benchmark per kWh. In the event that the OPPC calculation results in a value less than zero it will not be factored into the total calculation for the IRC.

2) Capital Improvement Debt

The annual debt service requirement on CID is determined by amortizing capital improvement expenditures at the prevailing interest rate. The applicable annual debt service requirements will be divided by the annual forecasted consumption on the anticipation of serving all Customers in the Utility service area. The CID charge will be posted in Island Energy's Tariff by July 1st of each fiscal year. The actual collection of debt service will be reconciled against the repayment schedule of CID. Charges or credits will be absorbed in the following year's repayment schedule.

3) Operational Financial Assistance

The OFA repayment obligation of the Departing Load Customer shall be calculated by dividing the annual debt service requirement for the OFA on the Departure Date by the annual forecasted consumption by all Customers in the Utility service area. The OFA charge will be based on a per kWh amount and will be posted in the Utility's Tariff by July 1st for each fiscal year. The actual collection of debt service will be reconciled against the repayment schedule of OFA. Charges or credits will be absorbed in the following year's repayment schedule.

4) Public Benefits Programs

The collection of PBP Fee from Island Energy's Customers is a state requirement. The current rate is 2.85% of Island Energy's total electric revenue. The Public Benefit Program charge per kWh is calculated based on the Utility's annual forecasted sales and revenue requirement.

5) Total Investment Recovery Charge

The Total IRC, expressed as dollars per MWh, will be the summation of the OPPC, CID, OFA and PBP charges and multiplied by the Customer's average load as determined pursuant to Section F.

H. PAYMENTS AND COLLECTIONS

1) Payments

Upon departing the Utility, Departing Load Customers are obligated to make monthly payments to the Utility over the duration of the IRC. The duration will be determined by the outstanding debts that the Utility incurred to provide safe and reliable services and its amortization schedule. The Utility will issue monthly bills in accordance with the provisions of this Schedule. Customers shall pay to the Utility within twenty (20) business days of receipt of the bill. Failure to pay monthly IRC payments constitutes a violation of this Tariff and breach of the Customer's obligation to the Utility. Opportunity to cure this breach is described in Section I.

2) Procedures for Implementation

Departing Load Customers are obligated to notify the Utility of their intent to discontinue or reduce Utility electric service in accordance with the following procedure:

A Departing Load Customer shall notify the Utility at least Thirty (30) business days in advance in writing of its intent to displace all or a portion of its load with service from another Utility (the "Notice of Departure") or, in the event of a reduction in load as a result of participating in the Solar Incentive Program notice will be deemed complete upon commencement of generation). The Departing Load Customer shall specify in its Notice of Departure the following:

- a) The date on which the Customer will reduce or discontinue its electric service ("Date of Departure");
- b) A description of the load that will be displaced;

- c) The name of the other Utility or source from which the Departing Load Customer will acquire its electricity; and
- d) The Departing Load Customer should choose whether they will provide metered consumption data to the Utility on a monthly basis or their average monthly consumption will be determined by the stated billing determinants as described in Section F. At the Departing Load Customer's election, metered data can be used on a prospective basis.

I. DISPUTES / OPPORTUNITY TO CURE

1) Opportunity to Cure

Failure to provide a Notice of Departure including all the elements specified above, or a failure to make two consecutive IRC payments hereunder will constitute a violation of this Tariff and a breach of the Customer's obligations to the Utility. Utility will provide a notice of the violation to the Customer, specifying the Customer's failure to comply with this Tariff and providing the Customer with thirty (30) business days to act to cure the breach as defined below.

- a) If the breach was a failure to provide a written Notice of Departure to the Utility Thirty (30) business days in advance, the Departing Load Customer is subject to a five hundred dollars (\$500.00) fine and will be required to pay a deposit equal to two monthly IRC payments.
- b) If the breach was a failure to pay two consecutive monthly IRC payments, to cure the breach the Customer must pay all delinquent monthly IRC payments plus a deposit equal to two monthly IRC payments.
- c) The Utility will apply the deposit to the Customer's outstanding IRC balance and refund any remaining balance when the Departing Load Customer's obligation to the Utility expires.

2) Demand for Lump Sum IRC Payment

If the Customer does not cure the breach and pay the deposit as described in Section 7.I.3 the Utility may issue a demand for a Lump Sum Payment of the unpaid IRC responsibility.

The amount of the Lump Sum Payment should be equal to the summation of respective net present values of all applicable OPPC, CIID, OFA and PBP payments over the IRC repayment period.

3) Enforceability

If a Departing Load Customer fails to honor the demand for Lump Sum Payment of for the unpaid IRC responsibility within thirty (30) business days of issuance, the Utility shall be entitled to enforce this obligation by filing suit to enforce this Tariff in any court of competent jurisdiction and recover its costs and attorneys' fees incurred.

4) Dispute Resolution

Departing Load Customers may request an adjustment to the Investment Recovery Charges or an investigation into their determination.

Any Departing Load Customer whose request for an adjustment or request for an investigation that has resulted in an adverse determination may appeal the determination within ten (10) business days from the date of the notice of the adverse determination to the Utility's Board of Directors by letter (Notice of Appeal) setting forth the basis for the appeal and the facts to be considered by the Board at the time of the hearing.

A date for the hearing on the appeal will be calendared within fifteen (15) business days following the date of receipt of the Notice of Appeal. The date of the hearing shall be no later than forty-five (45) business days from the date of receipt of the Notice of Appeal. Any determination by the Board shall be final.

13. SPECIAL PROGRAMS

A. CALIFORNIA PUBLIC BENEFITS PROGRAM

1) General

AB 1890 is California's comprehensive electric restructuring legislation which became effective on September 23, 1996. The passage of AB 1890 deregulated the electricity industry and established broad Funding and allocation guidelines to support statewide Public Benefits Program in energy efficiency, renewable technology, low-income and RD&D that might not otherwise be Funded in a more competitive environment. Public Utilities Code Section 385 requires all Publicly Owned Utilities (POUs) shall establish a non-bypassable, usage-based charge on local distribution service to fund investments in four areas:

- a. Cost-effective demand-side management to promote energy efficiency and energy conservation
- b. New Investments in renewable energy resources
- c. Research and development to advance science or technology not adequately provided for in markets
- d. Services for low-income customers, including, but not limited to, rate discounts and energy efficiency.

2) Island Energy Public Benefits Fund Programs

The Pittsburg City Council, acting as the Governing Board of the Utility by resolution No. 07-177, has approved the establishment of Island Energy Public Benefits Fund on December 1, 2007. The requirement of Public Benefits Program is 2.85% of Island Energy's total electric revenue requirement.

The Public Benefits Fund charge shall appear as a separate line item on the Utility bills. The charge is collected based on kilowatt-hour usage from all Customers receive electric services from Island Energy. The Governing Board of the Utility has discretion in the design and expenditure of its Public Benefits Fund Programs that reflects the Utility needs as long as the programs align within the four statutory categories listed in 13A1(a)-13A1(d). .

The Island Energy Public Benefits Funds will be used to support the following programs:

a) Residential Energy Advisory Services Program

Island Energy provides free on-site residential energy audit services on how to conserve energy and improve energy efficiency.

b) Residential Lighting Program

Island Energy promotes high efficiency by providing compact LED light bulbs to residential and commercial customers in order to increase the utilization of high

efficiency lighting products. Island Energy will provide up to five (5) LED light bulbs per Customer per year on first come first serve basis.

c) Appliance Efficiency Program

Island Energy offers rebates for Energy Star-rated appliance replacements, including dishwashers; clothes washers; refrigerators and air conditioners to eligible Island Energy residential or business customers. This program does not allow for reimbursements to developers of residential or commercial developments. It is the Customers' responsibilities to complete, sign and submit an Appliance Efficiency Program application form, along with an original or legible copy of the purchase receipt, to the Utility's office for a rebate. A Utility representative may call to schedule a physical inspection of the installed appliances prior to issuing a rebate. The Utility may evaluate the energy efficiency of the particular appliance or appliances and determine the applicable rebate.

Qualifying Energy Star-rated products are listed on the Environmental Protection Agency's web site at www.energystar.gov. Application Form, terms and instructions are available at www.islandenergy.com.

The rebate amounts for qualifying Energy Star-rated appliances are:

Dishwasher	\$50
Clothes Washer	\$75
Refrigerator	\$50
Room Air Conditioner	\$50
Nest Learning Thermostat	\$50

d) Commercial Energy Efficiency Rebate Program

This program is designed to provide certain rebates to commercial customers who receive electric service from the Utility. Commercial customers who wish to improve energy efficiency within their facilities and seek to take advantage of this program may file an application with the Utility on its website. The following additional requirements shall apply:

- (i) The Applicant must be able to demonstrate that recently installed improvements or planned improvements, for which it seeks contribution to the expense of the improvements, will result in a reduction in the use of energy by at least 10%.
- (ii) The application must be accompanied by
- (iii) a) copies of any executed contract with a contractor who is going to install the energy efficiency improvement measures,

- (iv) b) copies of any reports demonstrating the actual or, in the event the improvements have not yet been installed, anticipated energy savings,
- (v) c) invoices for qualified energy efficiency products purchased and installed, or to be installed, and,
- d) any other supporting documents.
- (vi) A Utility representative may call to schedule a physical inspection of the planned or installed improvements or request further information in order to evaluate if and to what extent the improvements may qualify for reimbursement under this program.
- (vii) Funds originally earmarked under one application will be made available to other customers if the Applicant fails to submit all required supporting documents and install the proposed energy efficiency improvements within the required time period.
- (viii) After installation and a three (3)-month window allowing the Utility to collect electric consumption data from the service location which successfully demonstrates the requisite energy reduction, the Utility will make the appropriate reimbursement. The Utility has sole discretion to determine the applicable rebate and program eligibility and its determination shall be final in all cases.
- (ix) Reimbursement is subject to Funds available under the Public Benefits Fund Program and will be made available in the order in which all applications are received. The total rebate amount shall not exceed \$10,000 for any single application per Premises.
- (x) Currently there are catalogs providing specific information on requirements and rebates for the following three types improvements:
 - Lighting Fixture Retrofit

e) Residential Low-Income Assistance Program

This program is designed to provide discounted electric rates to assist eligible low-income residential customers with their Utility bills. To be eligible to receive assistance from this program, an interested Customer must file an application with the Utility and provide a copy of their U.S. Tax Return from the previous year along with other proof which is sufficient to establish all household income.

To obtain the benefit under this program the total household income for any Applicant shall not exceed those amounts shown on the table below for the corresponding number of persons residing in the household. Eligible Applicants will receive a 20% discount of utility charges on their monthly utility bills.

If a Customer's financial situation has changed and no longer fulfill the low-income eligibility criteria, the Customer must notify the Utility within thirty (30) days after the change occurs. Each Customer receiving the reduced rate under this Program must reapply for eligibility at least once a year on or before the

anniversary date of the first bill received showing a discount under this Program. In addition, the Utility may request an updated verification of household income at its discretion.

If Verification establishes that the Customer is no longer eligible for the program, the Customer will be removed from the program and the Utility may render corrected billings under the full rate schedules hereunder for the period of ineligibility. Such customer will also be reported to law reinforcement department for fraud.

The Low-Income Assistance Program adopts the Income Qualifications for Housing and Urban Department Rental Assistance in Solano County.

Number of Persons in Household:	Maximum Annual Household Income:
1	\$64,100
2	\$70,510
3	\$77,561
4	\$83,220

3) New Investment in Renewable Energy Resources and Technologies

The Public Benefits fund can provide funding for the construction and installation of Utility owned renewable generation within the Utility's service area to provide renewable energy generation to serve customers on Mare Island.

4) Other Authorized Public Benefits Fund Expenditures

The Public Benefits Fund allows the Utility to recuperate 3rd party expenses in researching and developing advance science and technology in demand-side management, energy conservation tracking, energy efficiency cost effectiveness evaluation, battery energy system cost benefit analysis and regional grid optimization study.

The Public Benefits Fund allows the Utility to recuperate administrative costs and staff time in researching, developing and implementing new Public Benefits programs, managing existing programs and verification of energy efficiency measures and renewable technologies installed.

5) Electric Vehicle Incentive

This program applies to verified current, Customer owners of plug-in electric vehicles and vehicle hybrids with an electric range in excess of 30 miles per charge:

- a) Rebate for the home or business installation of a Level 2 (240volt) charging station. Installation must be performed by a qualified electrician and inspected by the Utility technician.

The Utility will provide a rebate up to \$600.00 to cover the actual out-of-pocket costs, including EV Charger purchase cost (minus rebates from manufacture and other government agencies), including the installation and permit costs.

- b) To be eligible for the program, customers must fill out the EV Charger Rebate Application and submit the application along with all supporting documentation to Island Energy via mail or email.
- c) Applicant must present documentations to show that they own a plug-in electric vehicle or vehicle hybrid with an electric range in excess of 30 miles per charge. Documentation is required at time of initial application for the program and must be provided between July 1st and July 31st of every subsequent year.
- d) Applicant is responsible for obtaining all required permits from the City of Vallejo.
- e) The incentive offer is on a first-come, first served basis and is effective until Funding is expended, or the program is discontinued.

B. RESIDENTIAL MEDICAL DISCOUNT PROGRAM

1) General

This program is designed for residential Customers who require certain medically necessary life support devices to sustain life or enable mobility. To qualify under this rule, the device must be used in the home within the Utility's service territory and the medical equipment must run on electricity supplied by the Utility.

2) Life Support Devices

For the purpose of this Section, life support devices include, but are not limited to, respiration, iron lungs, hemodialysis machines, suction machines, electric nerve stimulators, pressure pads and pumps, aerosol tents, electrostatic and ultrasonic nebulizers, compressors, IPPB machines and motorized wheelchairs ("Life Support Device"). Devices used for therapy rather than for life support generally do not qualify.

3) Qualification Requirements

To qualify for the Residential Medical Discount- Program, Applicant must provide certification by a physician or osteopath that the Applicant or a full-time resident in the Applicant's home is dependent on a Life Support or other necessary electrical device used in Applicant's home or is a Paraplegic, Quadriplegic, Hemiplegic, or a Multiple Sclerosis patient with special electrical space heating needs or air condition needs. Medical conditions other than the Paraplegic, Quadriplegic, Hemiplegic, or a Multiple Sclerosis may also qualify for this program if electrically operated equipment is used to sustain, restore or supplant a vital function if approved by the Utility.

Customers receiving this program discount must verify continued eligibility every two years. The Utility will notify the customer when reapplication or verification is required. Failure to provide the requested documentation within the specified timeframe may result in removal from the discounted rate until eligibility is reestablished

4) Program Discount.

Program subscriber will receive a 20% discount of utility charges on their monthly utility bills. See "Rate Schedule M: Medical Residential Electrical Service Discount".

5) Backup Generation Rebate

Assuming Applicant meets the terms and conditions of Article B.3 above, Island Energy will provide a cash rebate of \$250.00 to Applicant for the purchase of a back-up generation system.

- a) Island Energy makes no recommendation or representation as to the type, size or installation of such a system. Purchase, installation and operation is the responsibility of the Applicant.

- b) A permanent backup generation system will require City of Vallejo permitting and inspection, and an interconnection inspection by Island Energy
- c) SAFETY: Any portable generator MUST be operated outdoors in a non-enclosed, well ventilated area. NEVER operate a portable generator in the home, garage or other enclosed space.

6) Customers Responsibility.

Although the Utility makes every effort to supply uninterrupted service to all of its Customers, continuous service cannot be guaranteed. In the event of a power outage, patients requiring the use of life-support equipment are responsible for providing their own backup power system or calling for medical emergency service. Customers are also required to complete a third-party notification form for emergency purpose. The Utility does not guarantee service on delinquent or past due accounts.

C. SOLAR INCENTIVE PROGRAM

Island Energy has successfully met its obligations under Senate Bill 1. New Federal and State programs to be implemented in 2020 will replace the provisions granted under Senate Bill 1. As such, Island Energy will discontinue the Solar Installation rebate under the Solar Incentive Program under this Tariff.

Those intending to install solar systems must still obtain an Application for the installation of the system and have an inspection performed prior to operation.

1) Program General Guidelines

- a) All photovoltaic ("PV") solar systems installed within the Utility's service area on Mare Island must be installed in conformance with the manufacturer's specifications and in compliance with the Utility's engineering criteria for interconnection to the Utility's electric distribution system and all applicable electrical and building code standards.
- b) The solar energy system should be located on the same Premises where the consumer's electricity demand is located. A customer cannot interconnect a solar-electric system to Island Energy's distribution system without an approved application and an executed Interconnection Agreement.
- c) All components in the solar energy system must be new and unused and have not previously been placed in service in any location and for any other application. All solar energy system must have a minimum 10-year warranty to protect against defects and undue degradation of electrical generation output.
- d) Eligible solar technologies must primarily generate electricity. "PV" refers to flat-plate non-concentrating photovoltaic modules, and "other solar electric generating technologies" refers to all solar electric generating technologies except flat-plate non-concentrating photovoltaic modules.

- e) All major solar energy system components shall be included on the Energy Commission's Eligible Equipment Lists. This includes PV modules, other solar electric generating technologies, inverters, and meters. Information on solar energy system components can be found at <http://www.GoSolarCalifornia.org>.

2) Program Participants

- a) Host Customer
- b) The Host Customer is the owner or tenant of the Premises where the PV solar system will be installed. The Host customer must have a valid Utility account with Island Energy at the time the application is submitted.
- c) System Owner
- d) The System Owner is the owner of the PV solar system at the time the incentive is paid. In the case of third party-owned (or leased) system, the third party is the system owner.
- e) Program Applicant
- f) The applicant is the primary contact for the Solar Incentive Program application process, the system owner remains the legal party to the PV solar system during the life span of the system unless the Host Customer elects to purchase the PV solar system for its residual value during the life time of the system.

3) System Installer

- a) All eligible PV solar systems shall be installed by individuals with a current A, B, C-10, or C-46 contractor license. Roofing contractors with a current C-39 license may place PV panels in accordance with the limitations of their license; however, electrical connections cannot be made by a roofing contractor. Installation by certified installers is encouraged, though not required. Systems may be self-installed by the purchaser.
- b) The Utility will conduct system inspection visit in order to verify that the system is installed as represented in program applications, are operational, interconnected and conform to all Utility criteria.
- c) The Utility reserves the right to disqualify installers from future program participation for failed inspections due to gross negligence, fraud, or uncorrected mechanical failures.

4) System Sizing

Solar customers may size their solar systems to offset up to 100% of their annual electricity usage. The Utility evaluates solar system size based on the customer's historical load of the previous 12 months. The Utility will not provide a rebate for the oversized portion of a solar system.

- 5) Island Energy will conduct site inspection to verify solar systems are installed as represented in applications, are operational, interconnected and conform to the

eligibility criteria of the Solar Incentive Program before the system can be energized.

6) Ownership of Environmental Attributes

The System Owner shall assign the Utility any and all environmental attributes, including but not limited to renewable energy credits, green tags and carbon credit/allowances generated by the PV solar system that receives rebate on during the entire lifetime of the PV Solar system. The Utility shall have sole discretion and full benefits of any and all environmental attributes, renewable energy credit, carbon credit/allowances and energy deduction with respect to the system that received rebate from the Utility.

7) Net Energy Metering Program and Exported Renewable Energy Program

Before July 1, 2016, the total rated solar generating capacity installed by Eligible Customer-generators exceeded the 5% threshold of the Utility's aggregate customer peak demand Net Energy Metering Program.

Customers who currently subscribed for the Net Energy Metering Program will retain benefits of the NEM program until the expiration of their 20-year enrollment period, from their original interconnection date.

Customers who move into premises with a system previously been approved for the Net Energy Metering Program will retain benefits offered by the NEM program for the remainder of enrollment period, from the system's original interconnection date. Increase in the generating capacity of systems subscribed to the Net Energy Metering program is not permitted.

Starting from July 1, 2016, new solar customers will be placed under the Exported Renewable Energy Program. For program details please refer to Rate Schedule ERE.

The billing mechanism of the ERE program is explained below.

The Utility employs bi-directional meters to register "kWh Consumed" for energy delivered to a ERE customer and such energy is charged at residential retail rate; bi-direction are also used to register "kWh Generated" for excess energy delivered to the Utility's distribution grid from a customer's generator, such energy is credited to at the Net Energy Surplus Rate to a ERE customer. The "kWh Consumed" and "kWh Generated" registers are used to calculate charges and credits on ERE customers' monthly bill.

8) Solar System Sizing and Application Process

- a) Obtain a Solar PV Rebate Application Form and an Interconnection and Exported Renewable Energy Agreement. Fill out the application form and submit it to the Utility with the required support documents via internet, mail or office drop-off. The Utility will process all completed applications within thirty (30) days.
 - b) The interconnection application fee(s) should be proportionate to the costs incurred by the Utility's staff to review the interconnection application including solar system sizing, engineering design, utility inspection and final meter turn on.
 - \$200.00 for residential installation
 - \$500.00 for solar installation up to 50 kilowatts (kW), and
 - \$1,000.00 for installations greater than 50 kW
 - c) Upon receiving approval from the Utility, the Customer must sign the Interconnection Agreement to participate in Island Energy's Solar Incentive Program and Exported Renewable Energy Program.
 - d) Receive a building permit from the City of Vallejo. It is recommended to get application approval from the Utility before obtaining a building permit.
 - e) After receiving the building permit, the Customer should begin the installation process within a hundred eighty (180) days of receiving the Utility's approval or the application will expire.
 - f) Upon completion of the installation, obtain a building safety inspection from the Building Department of the City of Vallejo.
 - g) The Utility will be notified by the Building Department of Vallejo, and the Utility will perform a Utility inspection and replace the regular meter with a bi-directional meter. Once the bidirectional meter is installed, your solar system is interconnected to the Utility's grid.
- 9) Application Attachments
- a) Recent Utility bill showing electric usage of the service location,
 - b) Purchase order, contract or lease for the PV system installation, showing equipment size and proof of the 10-year warranty.
 - c) A shading analysis, if not a minimally shaded area,
 - d) Energy Audit Report for commercial customers (not required for residential customers).

10) Non-bypassable Charges

Customer-Generators shall not be exempt from certain charges paid by other Customers in order to avoid any shortfall, resulting in a shifting of the burden of these charges to the remaining non-generating Customers.

These charges may include all or some of the following:

- (i) The Public Benefits Program (Section 14.A – California Public Benefits Program),
- (ii) Outstanding Power Purchase Costs (“OPPC”),
- (iii) Capital Improvement Debt (“CID”) (Repayment of loans for capital improvements made necessary as a result of the aging electrical system), and
- (iv) Operational Financial Assistance (“OFA”) (Repayment of loans made necessary during periods where there are shortfalls in cash flow necessary to meet current obligations in between rate adjustments), and they can either appear as a line item on the monthly bill to all Customers or as a debt to be repaid as part of the yearly rate case.

D. RELOCATION FUND

1) General

As part of the ongoing efforts to redevelop Mare Island, a facility Relocation Fund ("Relocation Fund" or "Fund") is established to provide financial assistance to the City of Vallejo ("City") or a Qualified Developer (as defined herein) for use in the relocation or re-working of electric and gas Utility facilities in conjunction with City's redevelopment activities on Mare Island.

There shall be but one (1) Fund from which both electric and gas relocation projects may receive funding.

The same application procedure will be applicable to both, and withdrawals from the Relocation Fund for gas projects will reduce the Funds availability for electric projects and vice versa.

2) Contributions to the Fund; Maximum Balance

- a) The Utility will commence regular contributions to the Relocation Fund by the collection of two percent (2%) of the gross annual receipts from the sale of electricity and gas by the Utility.
- b) The Relocation Fund shall have a maximum balance of Three Hundred Fifty Thousand Dollars (\$350,000) at any one time. Contributions to the Relocation Fund shall continue on an ongoing basis until the maximum balance is attained. At such time the maximum balance is attained, all collections for this Fund and contributions by the Utility shall cease.
- c) If a withdrawal causes the balance in the Relocation Fund to drop below the maximum balance herein established, Utility shall once again commence making contributions under these same terms beginning on the month following the month during which the Relocation Fund was so reduced.
- d) The Relocation Fund shall not be increased by receipt of interest on its balance at any time. Any interest earned on the principal balance shall be directed into Utility's operational account for general purpose use. There shall be no monetary obligation by the Utility under this Section beyond the balance contained in the Relocation Fund.

3) Withdrawal from the Fund

The City or any Developer under contract with the City for the redevelopment of any portion of Mare Island ("Qualified Developer") may request proceeds from the Relocation Fund for use in Utility relocation made necessary by redevelopment activities on Mare Island.

Any application of proceeds from the Relocation Fund must be Utility related and limited to relocating electric and gas facilities in conformance with Mare Island Reuse Plan, as amended from time to time. The amount of support under the

Relocation Fund is limited to the balance of the Relocation Fund as determined hereunder.

4) Process for Withdrawal

The City or a Qualified Developer may request a withdrawal from the Relocation Fund for use consistent with Mare Island Reuse Plan under the following criteria:

- a) The City or Qualified Developer may request Relocation Funds in support of the relocation of electric and/or gas distribution facilities owned by the Utility on a specific project-by-project basis.
- b) Such request shall be tendered to the Utility in writing, indicating the specific project, and the amount requested, the time frame during which relocation activities should be completed, and any other information or data pertaining to the project which is required by the Utility to meet both the Funding and relocation requirements associated with the project.
- c) The City and the Utility shall work together to develop a form of request satisfactory to meet the needs of the City, any Qualified Developer and the Utility.
- d) The City and the Utility shall endeavor to communicate on an ongoing basis so that any projects might be foreseen and may be approached as efficiently as possible.
- e) The City or any single Qualified Developer shall not be entitled to a withdrawal of more than fifty percent (50%) of the Relocation Fund balance as it exists on the date and at the time of the submittal of the application under this section, after having deducted all amounts which are the subject of prior applications under consideration.
- f) In the event a prior application is denied prior to a final determination on the later application, the Funds available to the later applicant shall be recalculated as if the prior application had not been made. Prior to payment hereunder, the City or a Qualified Developer must:
 - (i) Have submitted a project application,
 - (ii) Paid the application fee,
 - (iii) Enter into a Customer Contract with Utility,
 - (iv) Completed the project in compliance with all the terms of its agreements with Utility and,
 - (v) be in compliance with these Tariffs. Any failure to comply with the requirements of this Section shall result in the restoration of the Funds earmarked for the Qualified Developer to the Relocation Fund. The application for a withdrawal from the Relocation Fund will be processed in the order in which the applications are submitted.
- g) In the event the City or a Qualified Developer otherwise meets all of the criteria set forth in this Section and the Executive Director has agreed to Fund in whole

or in part the relocation project, such Applicant may request to have the Utility carry out the relocation project.

- h) The Utility, if it accepts responsibility for the design and construction of the relocation project, shall charge the Relocation Fund for all engineering, design, construction, labor, equipment and other costs and expenses, to the extent Relocation Funds have been approved for use on the relocation project.
- i) Any costs above and beyond the Funds available hereunder shall be the sole responsibility of the Applicant. For a relocation project with estimated cost of \$10,000.00, or less the Utility's General Manager shall have sole discretion to decide whether the Utility will take on the project or not. For relocation projects with an estimated cost of over \$10,000.00, the Executive Director of Pittsburgh Power Company ("PPC") shall have sole discretion to decide whether the Utility will assume the project or not.
- j) The Executive Director shall review each request for withdrawal from the Relocation Fund for all projects with an estimated cost of more than \$10,000.00, and shall, at the Executive Director's sole discretion, decide to Fund or not to Fund all or part of the requested relocation project out of the Relocation Fund.
- k) The Executive Director's decision will be based on the finding of whether the project is viable and can be completed successfully, is consistent with the Reuse Plan, as amended from time to time, and is consistent with the conditions of this Section. For all projects with an estimated cost of \$10,000.00 or less, the General Manager shall be responsible for the review and determination whether to approve the application, and in making such determination shall exercise the same discretion as that exercised by the Executive Director on projects with an estimated cost of more than \$10,000.00.
- l) For projects with an estimated cost of more than \$10,000.00, a City or Qualified Developer who is not satisfied with the decision of the Executive Director, has recourse by appeal to the full PPC Board of Directors ("Board"). In which event the City or Qualified Developer shall, within ten (10) days of the mailing of the Executive Director's written decision, submit a written appeal containing all arguments in favor of the use of Relocation Funds for project, along with any relevant exhibits demonstrating compliance with the conditions of this Section to the Board.
- m) The Board will thereafter consider the appeal in a timely manner at a regular noticed meeting and its decision shall be final. For projects with an estimated cost of \$10,000.00 or less, the decision not to approve the use of Funds from the Relocation Fund will, at the request of the Applicant, be reviewed by the Executive Director, who's determination shall be final.
- n) The amount of Funding available to the City or Qualified Developer under this procedure is strictly limited to the amount determined under Section 14.D.2, above.
- o) All Funds held in and distributed from the Relocation Fund are public Funds within the meaning set forth in California Labor Code sections 1720, et seq.,

and may or may not be subject to the prevailing wage laws contained therein. The City or Qualified Developer shall indemnify the Utility and PPC against any and all claims regarding any failure to pay prevailing wages.

- p) Limited Obligation
- q) Other than as set forth in this Section and in Sections 6.K and 6.L, the Utility shall incur no other obligation to Fund the Utility facility expenses incurred by the City or any developer.
- r) Termination:
- s) The Relocation Fund shall terminate at the earlier of the following dates:
 - (i) The date on which those Qualified Developers having charge of redevelopment pursuant to the Reuse Plan, as amended from time to time, have completed their work or,
 - (ii) February 1, 2025.



SHEET NO. 26-27-CES-1
CANCELING SHEET NO. 25-26-CES-1

Rate Schedule CES-1 METERED SMALL COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to small industrial/commercial Customers whose single meter monthly electricity consumption is no greater than 86,400 kWh.

RATES:

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic Service Fee, per meter per day\$0.44772

Energy Charge, per kWh\$0.33909

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day\$0.46638

Energy Charge, per kWh\$0.31930

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this schedule normally will be supplied at a standard available voltage in accordance with Section 3 of the Tariff.
3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.



SHEET NO. 26-27-CES-2
CANCELING SHEET NO. 25-26-CES-2

Rate Schedule CES-2

METERED INDUSTRIAL / COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to industrial/commercial Customers whose single meter indicates its monthly electricity usage is between 86,400 and 360,000 kWh in any particular month. Customers whose monthly consumption falls in this range will be billed at this rate class for that particular month.

RATES:

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic Service Fee, per meter per day\$6.64181

Energy Charge, per kWh\$0.31569

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day..... \$18.0818

Energy Charge, per kWh\$0.29990

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this schedule normally will be supplied at a standard available voltage in accordance with Section 3 of the Tariff.
3. Eligibility for Primary Voltage Service: The Utility at its sole discretion will determine whether a Customer may receive Primary Voltage Service.
4. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
5. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.



Rate Schedule CES-3

METERED LARGE INDUSTRIAL / COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to large industrial/commercial Customers whose single meter indicates its monthly electricity usage is between 360,000 and 720,000 kWh in any particular month. Customers whose monthly consumption falls in this range will be billed at this rate class for that particular month.

RATES:

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic Service Fee, per meter per day\$27.76962

Energy Charge, per kWh.....\$0.28455

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day.....\$38.95849

Energy Charge, per kWh.....\$0.27959

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this schedule will be supplied at the voltages listed above
3. Eligibility for Primary Voltage Service: The Utility at its sole discretion will determine whether a Customer may receive Primary Voltage Service.
4. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
5. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.



Rate Schedule CES-4

METERED VERY LARGE INDUSTRIAL / COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to very large industrial/commercial Customers whose single meter indicates its monthly electricity usage exceeds 720,000 kWh in any particular month. Customers whose monthly consumption exceeds this threshold will be billed at this rate class for that particular month.

RATES:

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic Service Fee, per meter per day\$55.81972

Energy Charge, per kWh.....\$0.25278

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day\$69.77542

Energy Charge, per kWh.....\$0.239899

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this schedule will be supplied at the voltages listed above
3. Eligibility for Primary Voltage Service: The Utility at its sole discretion will determine whether a Customer may receive Primary Voltage Service.
4. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
5. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.



Rate Schedule RES-1 METERED RESIDENTIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to all residential Customers receiving metered service. A residential Customer is defined as using a single-phase domestic service for lighting, heating, cooking, water heating, and power, or a combination thereof, in single family dwellings, flats, and apartments, separately metered by the utility and to single-phase service used in common for residential purposes by tenants in multi-family dwellings.

RATES:

Basic Service Fee, per meter per day\$0.44129

Monthly Electricity Usage $\leq 4,500$ kWh

Energy Usage Charge, all kWh, \$/kWh.....\$0.29072

The minimum charge on this rate schedule shall equal the Basic Service Fee times the number of days in a billing cycle.

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this Rate Schedule normally will be supplied at a standard available voltage in accordance with Section 3 of the Tariff.
3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
5. FERC Adjustments: As FERC could potentially legally change the terms and conditions in PG&E's electricity purchase contracts, any resulting incremental rate increase of electricity to Island Energy will be added to the Energy Charge above as a pass-through rate.



Rate Schedule RES-2 METERED RESIDENTIAL ELECTRICAL SERVICE (OVER 4,500KWH)

APPLICABILITY

This schedule is applicable to all residential Customers with monthly electricity usage over 4,500 kWh. A residential Customer is defined as using a single-phase domestic service for lighting, heating, cooking, water heating, and power, or a combination thereof, in single family dwellings, flats, and apartments, separately metered by the utility and to single-phase service used in common for residential purposes by tenants in multi-family dwellings.

RATES:

Monthly Electricity Usage > 4,500kWh

Basic Service Fee, per meter per day\$0.67581

Energy Usage Charge, all kWh, \$/kWh.....\$0.49563

The minimum charge on this rate schedule shall equal to the Basic Service Fee times the number of days in a billing cycle.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this Rate Schedule normally will be supplied at a standard available voltage in accordance with Section 3 of the Tariff
3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer
4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
5. FERC Adjustments: As FERC could potentially legally change the terms and conditions in PG&E's electricity purchase contracts, any resulting incremental rate increase of electricity to Island Energy will be added to the Energy Charge above as a pass-through rate.



Rate Schedule LS

LIGHTING SERVICE

APPLICABILITY

This rate schedule applies to all electric Customers receiving unmetered service from the utility for lighting facilities that are controlled by an electronic photo-sensitive switch. This rate schedule further applies only to Customers that own, operate and maintain the lighting fixtures and wiring connected to the utility's system, and is limited to the lamp types and wattage ranges listed below.

RATES:

The total monthly charge per lamp is equal to the sum of the facility charge and the energy charge:

Facility Charge Rate, per lamp per month.....\$0.31874

Energy Charge Rate, per kWh\$0.25772

Monthly energy charges per lamp are calculated using the following formula:

$(\text{Lamp-wattage} + \text{Ballast-wattage}) \times 4100/12/1000 \times \text{Energy-rate}$

Where: Ballast-wattage = Lamp-wattage x ballast-factor

Ballast Factors by Lamp Type and Wattage Range:

<u>Watt Range</u>	<u>Ballast Factor</u>	<u>Watt Range</u>	<u>Ballast Factor</u>
<u>INCANDESCENT</u>		<u>LIGHT EMITTING DIODES</u>	
0 to 200	0.00%	0 to 50	0.00%
<u>MERCURY VAPOR</u>		<u>HIGH PRESSURE SODIUM VAPOR (120 VOLT)</u>	
1 to 75	31.00%	1 to 40	25.44%
76 to 125	17.07%	41 to 60	22.93%
126 to 325	13.69%	61 to 85	21.25%
326 to 800	11.22%	86 to 125	20.00%
801 +	10.34%	126 +	17.07%



Rate Schedule LS

LIGHTING SERVICE (CONT.)

METAL HALIDE

1	to	85	25.44%
86	to	200	24.39%
201	to	375	22.93%
376	to	700	18.54%
701	+		13.27%

HIGH PRESSURE SODIUM VAPOR (240 VOLT)

1	to	60	40.49%
61	to	85	42.16%
86	to	125	37.56%
126	to	175	34.63%
176	to	225	18.54%
226	to	280	17.07%
281	to	380	14.35%
381	+		12.68%

LOW PRESSURE SODIUM VAPOR

1	to	40	75.61%
41	to	75	54.32%
76	to	110	46.34%
111	to	160	34.42%
161	+		26.83%

INDUCTION

0	to	200	3.45%

SPECIAL CONDITIONS

1. Type of Service: Service under this rate schedule will normally be provided only to multiple lighting systems that are supplied by the utility at a standard secondary voltage of 120 volts or 240 volts single-phase.
2. Photo Controls: This schedule is predicated on electronic type photo controls meeting ANSI standard C136.10, with a turn-on value of 1.0 foot-candles and a turn-off value of 1.5 foot-candles. Electro-mechanical or thermal type photo controls are not acceptable for this rate schedule.
3. Annual Operating Schedules: The rates under this schedule assume 4100 operating hours per year (approximately 11 hours per night), and apply to lights which will turn on and off once each night.
4. Light or Pole Numbering: Pole number sequencing and coding for single lights or multiple lights on a single pole shall be provided by the Customer in a format acceptable to the utility. The Customer shall provide physical numbering on lights or poles in order to facilitate accurate billing and inventory reporting prior to energizing facilities. Numbering must be legible from the ground.
5. Lighting Inventories: The Customer shall submit an initial inventory of the location, type and wattage for each light, including any non-conforming loads connected to the lighting system, in a format acceptable to the utility before the lighting system is connected to the utility system. An updated inventory shall be submitted annually after the initial inventory. The Customer shall inform the utility in writing within 30 days of any changes to the inventory.
6. Non-conforming loads: Any load other than the lighting loads listed in this rate schedule is a non-conforming load, and shall require approval from the utility before they are connected to an unmetered lighting service. Non-conforming loads will only be approved for governmental agencies. Each non-conforming load shall not exceed 150 watts per circuit, or light for individually connected lights. Any non-conforming load exceeding this limitation requires metering of the Customer's system at the utility's connection point. The monthly billed charges for approved unmetered non-conforming loads will be based on the rated or measured full-load input wattage and verified hours of operation.



Rate Schedule MLS MOTOR LOAD SERVICE

APPLICABILITY

This schedule is applicable to all electric Customers receiving unmetered service from the utility for electric motor load. This is further restricted to Customers that own, operate, and maintain the electrical wiring from the motor to the utility's primary, or secondary, circuits that are in place to service Customers other than the motor load Customer.

RATES:

Basic Service Fee, per meter per day\$0.15

Rated Horsepower Charge, per Horsepower, per day\$6.00

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Voltage: Service under this schedule normally will be supplied at a standard available voltage in accordance with Section 3 of the Tariff.
3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
5. Ownership of Facilities: The utility may, at its option, with the agreement of the Customer, own the facilities connecting the lighting fixture to the utility's electrical system, provided that the Customer has made arrangements to pay for this service according to Section 8.
6. The Horse Power: The Horsepower of the motor shall be determined by the utility.



SHEET NO. 26-27-MISC
CANCELING SHEET NO.20-21-MISC

Rate Schedule MISC

MISCELLLEOUS SERVICE FEE AND CHARGE

APPLICABILITY

This schedule is applicable to all electric Customers requesting service from the utility.

RATES:

New Residential Account ~~D~~ deposit	\$200.00
~~New Commercial Account Deposit~~	~~\$450.00~~
~~New Commercial Account Deposit~~	~~Two times of Monthly Utility Bill~~
~~Account Credit Re-Establishment~~ Write-Off Fee.....	~~\$325.00~~
Residential Meter Turn-On Due to Non-Payment.....	\$35.00 or \$75.00 after 3:00pm
~~Service Establishment Fee.....~~	~~\$15.00~~
~~Commercial~~ Meter Turn-On Due to Non-Payment.....	~~\$10015.00 or \$250.00~~
~~after 3:00pm~~	
Meter Turn-on Due to Meter Removal.....	\$250.00
Dispute Bill.....	\$25.00
Returned Check Fee.....	\$35.00
Meter Re-Read.....	\$15.00
Late Payment.....	\$15.00 or 3% of unpaid balance
Meter Test Fee.....	\$155.00
Meter Tampering Penalty.....	\$135.00
~~Historical Bill Request.....~~	~~\$25.00 plus \$0.10 per copy~~
~~Bill Dispute.....~~	~~\$25.00~~
Residential Electrical Data Analysis-Customer Request.....	Actual Cost Up to \$100.00
Commercial Electrical Data Analysis-Customer Request.....	Actual Cost Up to \$500.00
Residential Solar Application.....	\$200.00
Commercial Solar ≤ 50 KW Application.....	\$500.00
Commercial Solar ≥ 50 kW Application.....	\$1,000.00

Rate Schedule M

MEDICAL RESIDENTIAL ELECTRICAL SERVICE DISCOUNT

APPLICABILITY

This schedule is applicable to all residential Customers receiving metered service and that qualify for the Medical Support Baseline Program

REQUIREMENTS:

To qualify for the Medical Residential Electrical Service Discount you must provide certification by a physician or osteopath that you or a full time resident in your home is dependent on a medical equipment device used in your home, or is a Paraplegic, Quadriplegic, Hemiplegic, or a Multiple Sclerosis patient with special electric space heating needs or air conditioning needs. Medical conditions other than paraplegia, hemiplegia, quadriplegia, or multiple sclerosis may also qualify for this rate if electrically operated equipment is used to sustain, restore, or supplant a vital function if approved by the Utility.

RATES:

Qualified Customers that participate in the Medical ~~Emergency Number~~ Discount Rate will receive a 20% discount of their total utility bill.

Customers receiving the program discount must verify eligibility every two years. The Utility will notify the customer when reapplication or verification is required. Failure to provide the requested documentation within the specified timeframe may result in removal from the discounted rate until eligibility is reestablished.

MEDICAL EQUIPMENT DEVICE

A medical equipment device, for purposes of the Medical Residential Electrical Service Discount, is defined as any medical device requiring utility-supplied energy for its operation that is regularly required to sustain the life of a full-time resident in the home. Qualifying medical equipment includes, but is not limited to, respirators, iron lungs, hemodialysis machines, suction machines, electric nerve stimulators, pressure pads and pumps, aerosol tents, electrostatic and ultrasonic nebulizers, compressors, IPPB machines, and motorized



wheelchairs. The term also includes air conditioning for all residential rate categories or electric heat for Customers on an electric space heat rate, for paraplegic, hemiplegic, or quadriplegic and multiple sclerosis patients. Devices used for therapy rather than for life support generally do not qualify.



SHEET NO. 26-27 CPS
CANCELING SHEET NO. 20-21-CPS

Rate Schedule CPS

CUSTOMER PROJECT SUPPORT CHARGES AND FEES

APPLICABILITY

Applicable to any person or entity requesting the utility to supply electric service, relocate electric facilities, or upgrade electric facilities.

RATES:

WORK ORDER – Utility Reimbursable:

For Customer Projects of minor scope and not requiring engineering or other third-party support, and where the Utility will largely self-perform the work, a reimbursable Work Order may be utilized to describe the Customer Project scope of work including a cost estimate for the Customer's consideration.

Upon acceptance of the scope of work and cost estimate, the Customer will sign the Work Order, authorizing the work and agreeing to reimburse the Utility for the time and materials required.

CUSTOMER PROJECT SUPPORT:

For Customer Projects of potentially significant scope and complexity, and requiring engineering or other third-party support, and where the Utility may contract all or part of the work, an "Application for Customer Project Support" process is utilized.

1. Application

The Customer to complete a Utility Application form with all Company and Project information, including a Project Description, to include all relevant information such as location, electrical equipment, load calculations and related information,

2. Design Agreement

With receipt of the Application and Fee, Utility will request a meeting, to better understand the Project and Customer objectives. At the Customer's election, the parties will execute a "Customer Project Support Design Agreement" for the performance of a technical Design, Scope of Work and Cost Estimate for Utility to perform its elements of the Project.



CONTINUED

3. Installation / Alteration Agreement

After Customer acceptance of the Utility Design, Scope of Work and Cost Estimate, Customer may elect to enter into an "Customer Project Support Installation / Alteration Agreement" for Utility performance of the works.

Project Application Fee and Deposit

A **\$250.00** ~~deposit~~ application fee is required at the time when a project Application is submitted to Utility to cover the reasonable cost of Application processing.

A deposit equal to **25%** of the total estimated project cost is required before work begins. The remaining project costs will be invoiced on an ongoing basis until the full project cost has been collected.

Island Energy Labor Hourly Billing Rates

Island Energy adopts the City of Pittsburg's Full-Time Employee Fully Burden Hourly Rate

During normal working Hours: City of Pittsburg Fully Burdened Hourly Rate

(7:30am to 4:00 pm) Monday through Friday and not holidays)

During non-normal working hours 1.5 times of the Fully Burdened Hourly Rate

City of Pittsburg's Full-Time Employee Fully Burden Hourly Rate is posted on Website list below.

<http://www.ci.pittsburg.ca.us/Modules/ShowDocument.aspx?documentid=11654>

Material Handling Charge

In the case that the Utility handles contractor contracts and materials for the Customer, project costs including but not limited to equipment, materials, engineering and contractor fees will be subject to a 10% mark up to cover project administration costs.

Late Fees

A late penalty equal to **10%** of the total invoice amount will be assessed on any customer project invoice not paid by the stated due date.



Rate Schedule NCE

NEW COMMERCIAL ELECTRICAL SYSTEMS REIMBURSEMENT

APPLICABILITY

Applicable to monetary reimbursement to an Applicant for a percentage of those Eligible Expenses associated with and incurred in the construction and placement of new electrical distribution system or systems which result in New Permanent Load of 150,000 kWh per month averaged over a 12 month period under Section 6.L of these Tariffs.

RATES:

1. **MAXIMUM REIMBURSEMENT:** The total amount subject to reimbursement is Thirty-three Percent (33%) of Eligible Expenses of new commercial electrical systems.
2. **PAYMENT CALCULATION:** The amount of reimbursement owed to a Qualified Developer shall be determined based on the increase in incremental load ("Incremental Load Increase") over the total load as determined during the fiscal year immediately prior to project completion ("Base Year"). The amount to be collected and made available for reimbursement shall be calculated by applying a factor of \$0.005/kWh to the Incremental Load Increase ("Commercial Reimbursement"). When two (2) or more parties make joint contributions or advances on the same new electrical transmission of distribution system, reimbursements will be distributed to these parties in the same proportion as their individual contributions or advances bear to the total Eligible Expense.
3. **TIMING OF PAYMENT:** Commercial Reimbursements shall be reconciled annually. Reimbursements hereunder shall be made without interest and shall be dispersed no later than September 30th following the fiscal year end for the fiscal year within which a claim for reimbursement hereunder has been made.
4. **FINAL DETERMINATION:** This is a voluntary program and may be terminated at any time. All collection and reimbursement shall in any event cease after the total of all obligations hereunder are paid or February 1, 2025, which ever event occurs first. All determinations relating to reimbursable amounts or credits made by utility shall be final.



Rate Schedule N

LOW INCOME RESIDENTIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to all residential Customers receiving metered service and that qualify for the Residential Electrical Low-Income Assistance Program

REQUIREMENTS:

Customers must submit an Application in the form set forth on the Island Energy Web Site. Each such Application must be accompanied by a copy of his/her U.S. Tax Return from the previous year along with other proof acceptable to the utility which is sufficient to establish all household income.

Customers shall be recertified for eligibility at least once per year, but the utility may request an updated verification of income at its discretion. It is the responsibility of the Customer to reapply on the anniversary date of the first application of the reduced rate hereunder.

It is the Customer's obligation to notify the utility within thirty (30) days once the Customer is no longer eligible for the Low Income Residential Electrical Service Rate. In the event it is determined that the Customer was not entitled to the reduced rate because the Customer did not provide accurate information the utility shall be entitled to recover all amounts to which it was entitled to under the regular rate schedules set forth in these Tariffs.

RATES

Customers that qualify for the Low Income Residential Electrical Service Rate will receive a 20% discount of utility charges on their monthly bill. The rate option will be effective in the month following utility's approval of the application.

Customers receiving the program discount must verify eligibility every year. The Utility will notify the customer when reapplication or verification is required. Failure to provide the requested documentation within the specified timeframe may result in removal from the discounted rate until eligibility is reestablished.



SHEET NO. 26-27-NEM
CANCELING SHEET NO. 25-26-NEM

Rate Schedule NEM

NET ENERGY METERING PROGRAM

APPLICABILITY

This schedule is applicable to Eligible Customer-Generators, as defined in Section 2827 of the California Public Utilities Code, operating a renewable electrical generation facility, as therein defined, located on the customer's owned, leased, or rented Premises with a capacity of no more than one megawatt that is intended primarily to offset part or all of the customer's own electrical requirements and which is interconnected and operates in parallel with Utility's power system pursuant to an interconnection and metering agreement with Utility.

This Rate Schedule is available on a first-come, first-serve basis until the total rated generating capacity used by Eligible Customer-Generators exceeds 5% of Utility's aggregate customer peak demand established when the Solar Incentive program began. The NEM program is fully subscribed since June 30th, 2016.

Customers who have previously been approved for the Net Energy Metering Program will retain benefits of the NEM program until the expiration of their 20-year enrollment period, from the date the solar system interconnected to the grid.

Customers who move into premises with a system previously been approved for the Net Energy Metering Program will retained benefits offered by the NEM program for the remainder of enrollment period, from the original date the solar system interconnected to the grid. Increase in the generating capacity of systems subscribed to the Net Energy Metering program is not permitted.

RATES:

An Eligible Customer-Generator served under this schedule is responsible for all charges in its otherwise applicable rate schedule, including the Basic Service Fee, when applicable, regardless of the Customer's monthly or annual net generation.

Eligible Customer-Generators under this Rate Schedule are subject to any new or additional charges pursuant to the Customer's otherwise applicable rate schedule.



(CONTINUED)

SPECIAL CONDITIONS

1. **Definitions:** The definitions of terms used in this Rate Schedule are found either herein or in Section 13C of the Tariff.
2. **Interconnection Agreement:** In order for this schedule to apply, Customer must complete and sign the Island Energy Electric Interconnection Agreement for Electric Net Metering Service ("NEM Agreement"). This agreement contains additional terms and conditions, including without limitation, requirements relating to indemnification, insurance, and access to Customer's Premises.

3. **Meter Requirements:**

Utility shall own, operate, and maintain a bi-directional single meter on Customer's Premises ,capable of registering the flow of electricity in two directions.

4. **Billing:**

- a. The monthly Net Energy Metering calculation shall be made by measuring the difference between the electricity supplied to Customer and the electricity generated by Customer and fed back to the grid over a normal one-month billing period.
- b. In the event that the electricity supplied by Utility during the one-month billing period exceeds the electricity generated by Customer during the same period, the Utility shall bill Customer for the net energy consumption during
- c. such billing period based on the Customer's Rate Schedule.
- d. In the event that the electricity supplied by Utility during the one-month billing period is less than the electricity generated by Customer during the same period, Customer is a net energy producer. If Customer is a net energy producer, any excess energy generated by the customer shall be carried forward to the following billing cycle as a monetary credit on the customer's account until the end of the 12-month period ending on the final billing date for March.
- e. If Customer terminates service prior to the end of a 12-month period ending on the final billing date for March, Utility shall reconcile Customer's consumption and production of electricity and bill Customer for Net Energy Metering charges, or if appropriate, issue a final payment for any excess generation, based on the applicable Net Surplus Compensation rate.

5. **Net Surplus Compensation:**



- a. If at the end of the applicable 12-month period ending on the final billing date of March, Customer is a Net Surplus Customer-Generator:
 - i. Utility shall retain any Net Surplus Energy generated by Customer, including any associated environmental attributes or renewable energy credits ("REC"), and Customer's monetary value shall be reset to zero for the subsequent 12-month period.
 - ii. If Customer is eligible for Net Surplus Energy Compensation, such compensation shall be calculated over the 12-month period.
- b. In order to be eligible for Net Surplus Energy Compensation, Customer must: (1) elect a compensation option in Customer's NEM Agreement; (2) certify that Customer has sole ownership of the environmental attributes and RECs associated with the energy generated from the Generating Facility; and (3) agree to transfer to Utility all rights, title, and interest Customer has to such environmental attributes and RECs.
- c. Utility's Net Surplus Compensation rate shall provide just and reasonable compensation for the value of the Net Surplus Energy, while leaving other ratepayers unaffected.
- d. If Customer is eligible for Net Surplus Energy Compensation, Customer shall receive compensation pursuant to the method selected in Customer's NEM Agreement. Customers are eligible to revise their net surplus energy compensation elections by giving written notice to IE at least thirty-days prior to the beginning of each succeeding 12-month period ending with the final billing date of March.

6. Net Surplus Energy Compensation Rate:

- a. Utility's Net Surplus Energy Compensation Rate is based on Utility's avoided cost for energy. Utility's Net Surplus Energy Compensation Rate is set at the value provided in the table below. The General Manager shall review the Utility's Net Surplus Energy Compensation Rate on an annual basis. If a Net Surplus Energy Compensation Rate is not adopted for any individual year, the most recently adopted Net Surplus Energy Compensation Rate shall apply.

Year	\$/kWh
From September 1, 2026 to June 30, 2027	0.0700



SHEET NO. 26-27-ERE
CANCELING SHEET NO. 25-26-ERE

Rate Schedule ERE EXPORTED RENEWABLE ENERGY PROGRAM

APPLICABILITY

This schedule is applicable to Customer-Generators, operating a renewable energy generation facility located on the customer's owned, leased, or rented Premises with a capacity of no more than one megawatt that is intended primarily to offset part or all of the customer's own electrical requirements and which is interconnected and operates in parallel with Utility's power system pursuant to an interconnection and metering agreement with Utility.

This Rate Schedule is available to customer-generators who do not qualify for the Net Energy Metering Program (Rate Schedule NEM) because the total rated generating capacity by Eligible Customers-exceeds 5 percent of Utility's aggregate customer peak demand.

RATES:

All rates charged for delivered energy will be in accordance with the Customer-Generator's otherwise applicable rate schedule. Customer-Generator's will receive a credit for electricity exported to the power system at a rate based on the Utility's avoided cost as stated below except that the credits for exported energy in any given billing period shall not exceed the charges for delivered energy in that month. A Customer-Generator served under this schedule is responsible for all charges in its otherwise applicable rate schedule, including the Basic Service Fee, when applicable, regardless of the Customer's monthly or annual net generation.

Customer-Generators under this Rate Schedule are subject to any new or additional charges pursuant to the Customer's otherwise applicable rate schedule.



(CONTINUED)

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2 of the Tariff.
2. Agreement: In order for this schedule to apply, Customer must complete and sign the Island Energy Electric Interconnection Agreement for Exported Renewable Energy ("ERE Agreement"). This agreement contains additional terms and conditions, including without limitation, requirements relating to indemnification, insurance, and access to Customer's Premises .
3. Meter Requirements:
 - a. Utility shall own, operate, and maintain a single meter on Customer's Premises capable of registering the flow of electricity in two directions.
 - b. If the existing meter on Customer's Premises is not capable of measuring the flow of electricity in two directions or supplying time-of-use information, Customer shall be responsible for the expenses involved in the purchase and installation of the meter.
 - c. Utility, at its expense, may install additional meters. However, if such meters are installed, the measurement of delivered and exported energy shall yield an identical result to that of a single meter.
4. Billing:
 - a. There will be no charge for energy generated by customer's generating facility and consumed on by the customer at time of generation.
 - b. Customer will be billed for all energy delivered according to the otherwise applicable rate schedule.
 - c. Customer will receive a credit for exported energy below Customer's billing period maximum at a rate based on the Utility's avoided cost as stated below.
 - d. If a solar customer's bill credit exceeds his/hers monthly electric charge, any excess credits will be carried over to the next month. Utility will issue a cash payment for any excess bill credits at the 12th month billing cycle or when the customer moves out.
 - e. Customer is responsible for all taxes, fees and other charges for all delivered electricity
5. Exported Renewable Energy
 - a. Utility shall retain all Exported Energy generated by Customer, including any associated environmental attributes or renewable energy credits ("REC").
6. Net Surplus Energy Compensation Rate:
 - a. Utility's Exported Energy Compensation Rate is based on Utility's avoided cost for energy. Utility's Exported Energy Compensation Rate is set at the value provided in the table below. The General Manager shall review the Utility's Exported Energy Compensation



Rate on an annual basis. If a Exported Energy Compensation Rate is not adopted for any individual year, the most recently adopted Exported Energy Compensation Rate shall apply.

Year	\$/kWh
From September 1, 2026 to June 30, 2027	0.0700



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Mayor/Chair and Council/Governing Board Members

FROM: Darin E. Gale, City Manager/Executive Director
Elena Adair, Director of Finance

SUBJECT: Public Hearing and Adoption of Resolutions Authorizing Issuance and Sale of Special Tax Bonds of the City of Pittsburg, for and on behalf of Community Facilities District 2009-01 (San Marco), and Special Tax Revenue Bonds of the City of Pittsburg Public Financing Authority

EXECUTIVE SUMMARY

To generate bond proceeds to pay for capital facilities of the City, including facilities already acquired from the Seeno Companies, the City of Pittsburg (the "City") proposes to issue \$25 million of special tax bonds ("City Bonds") for and on behalf of its Community Facilities District 2009-01 (San Marco) (the "CFD" or the "District"). Concurrently, the City of Pittsburg Public Financing Authority (the "Authority") will issue an equivalent \$25 million of special tax revenue bonds ("Authority Bonds") to purchase the City Bonds.

FISCAL IMPACT

A portion of the bond proceeds will be available for General Fund uses, and the remaining amounts will be utilized to pay the purchase price owed by the City to the developer for authorized facilities within the District. Additionally, approximately \$1 million of special tax funds will be made available to make improvements within the District at closing.

The Authority Bonds and City Bonds are being structured to generate surplus funds available for both the funding of additional facilities within the District. The City Bonds (which would not be sold to the public but would be acquired by the Authority using the proceeds of the Authority Bonds) are anticipated to be structured with interest rates above the interest rates on the publicly sold Authority Bonds. This difference in debt service between the City Bonds and Authority Bonds would be available for general

uses.

Additional details, including good faith estimates required by the Government Code, are included in APPENDIX A.

RECOMMENDATION

Staff recommends that (1) the City hold a public hearing regarding the issuance of bonds by the Authority and make the required findings; (2) the City Council, following the public hearing, adopt a resolution authorizing the issuance of special tax bonds on behalf of the District, approving and directing the execution of a Fiscal Agent Agreement, approving sale of such bonds to the Authority, and approving other related documents and actions; and (3) the Authority Board of Directors (“Authority Board”) adopt a resolution authorizing the issuance of special tax revenue bonds and related purchase of special tax bonds, approving and directing the execution of an Indenture of Trust, approving the form of Preliminary Official Statement, approving sale of such bonds, and approving other related documents and actions.

BACKGROUND

The CFD was formed in 2009 to fund public improvements in the San Marco development. The CFD is largely built out, with 826 building permits issued as of June 30, 2025, out of the 921 total units, and is expected to be fully built out by 2028. The formation documents for District authorize the issuance of up to \$25 million of bonds to fund public infrastructure within the CFD. To date, special taxes generated within the CFD have been utilized to pay the purchase price for authorized CFD facilities acquired by the City on a “pay-as-you-go” basis. Issuance of the Authority Bonds and City Bonds will satisfy the City’s remaining obligations to pay for the CFD facilities.

The Authority was established by a Joint Exercise of Powers Agreement dated as of January 1, 1991, by and among the City and the former Redevelopment Agency and is qualified to issue bonds under the Marks-Roos Local Bond Pooling Act of 1985. The Authority was formed to assist the City with the financing and refinancing of public capital improvements and has issued bonds multiple times in the past. The City Council members serve as the governing board of the Authority.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee meeting.

STAFF ANALYSIS

Authorization of the issuance and sale of the Authority Bonds and City Bonds will generate proceeds that can be used to pay for capital facilities of the City. It is anticipated that \$25 million of Authority Bonds and \$25 million of City Bonds will be sold for this purpose. The financing team anticipates seeking a rating on the Authority Bonds

and utilizing bond insurance to ensure the lowest cost borrowing available. Given the land within the District is largely built-out, it is a relatively strong land-secured credit.

Documents to be approved include:

City Authorizing Resolution

The City Authorizing Resolution approves the sale of special tax bonds (referred to above as the “City Bonds”) by the City to the Authority. The net proceeds generated by the City Bonds will be used to pay the purchase price of the facilities constructed by the Seeno Companies and acquired by the City pursuant to an acquisition agreement entered into between the City and the Seeno Companies at the time of CFD formation. This resolution also authorizes execution and delivery of a Fiscal Agent Agreement, Local Obligations Purchase Agreement, Preliminary Official Statement, and other necessary documents to facilitate the issuance of bonds and the use of bond proceeds. It also establishes key bond sale parameters, setting a maximum True Interest Cost of 7.00%, a maximum underwriter discount of 0.85% of par, and maximum bond par amount of \$25,000,000.

Authority Authorizing Resolution

The Authority Authorizing Resolution approves the sale of special tax revenue bonds by the Financing Authority to public market investors (referred to above as the “Authority Bonds”). The net proceeds generated by the Authority Bonds will be used to purchase the City Bonds. This resolution also authorizes execution and delivery of an Indenture of Trust, the Preliminary Official Statement, Bond Purchase Agreement with Piper Sandler as underwriter, Local Obligations Purchase Agreement, and other necessary documents to facilitate the issuance of bonds and the use of bond proceeds. It also establishes key bond sale parameters, setting a maximum True Interest Cost of 6.00%, a maximum underwriter discount of 0.85% of par, and maximum bond par amount of \$25,000,000.

Fiscal Agent Agreement

The Fiscal Agent Agreement defines the terms under which the City Bonds are issued and sold and specifies that the City Bonds will be payable from special taxes levied and collected within the CFD. The Bank of New York Mellon Trust Company, N.A. (“BNY Mellon”), will serve as Fiscal Agent, and Goodwin Consulting Group will continue to administer special tax levies and collections as they have done since CFD formation. The Fiscal Agent Agreement includes various covenants and agreements, including a covenant for the City to initiate foreclosure proceedings if certain delinquency criteria are met.

Preliminary Official Statement

Both the City Resolution and the Authority Resolution authorize the distribution of the Preliminary Official Statement (“POS”), which includes information about the

City, the CFD, the City Bonds, and the Authority Bonds, and discloses key financial and risk information to potential bond investors. Once final pricing details are confirmed, the POS will be converted into the final Official Statement.

The distribution of the Official Statement by the Authority/City is subject to federal securities laws, including the Securities Act of 1933 and the Securities Exchange Act of 1934. Under these laws, the Official Statement must include all facts that would be material to an investor in the bonds. Material information is information that would have a substantial likelihood of actual significance in the deliberations of a reasonable investor in deciding whether to buy or sell the bonds. If the City Council concludes that the preliminary Official Statement includes all facts that would be material to an investor, it must adopt a resolution that authorizes staff to execute a certificate to the effect that the preliminary Official Statement has been “deemed final.”

The Securities and Exchange Commission (the “SEC”), the agency with regulatory authority over compliance with the federal securities laws, has issued guidance as to the duties of elected bodies of municipalities with respect to their approval of a preliminary Official Statement. The SEC has indicated that, if a member of the City Council has knowledge of any facts or circumstances that an investor would want to know about prior to investing, whether relating to their repayment, tax-exempt status, undisclosed conflicts of interest with interested parties, or otherwise, he or she should endeavor to discover whether such facts are adequately disclosed in the preliminary Official Statement.

Indenture of Trust

The Indenture of Trust defines the terms under which Authority Bonds are issued and sold and specifies that the Authority Bonds will be payable from the proceeds of the City Bonds received by the trustee, on behalf of the Authority, as the owner of the City Bonds. BNY Mellon will serve as Trustee for the Authority Bonds. The Indenture of Trust establishes a reserve fund for the Authority Bonds to cover potential special tax delinquencies, which will be replenished through CFD tax levies.

Bond Purchase Agreement

The Bond Purchase Agreement is the legal document pursuant to which Authority Bonds will be sold by the Authority to Piper Sandler & Co., as underwriter, for further sale and distribution to ultimate purchasers. The Bond Purchase Agreement contains customary representations and warranties from the Authority and the City regarding the formation of the CFD and the issuance of both the City Bonds and the Authority Bonds, as well as conditions to the closing of the Authority Bonds.

Local Obligations Purchase Agreement

The Local Obligations Purchase Agreement, which is between the City and the Authority, is the legal document pursuant to which the City sells the City Bonds to the Authority.

Amendment to the Acquisition Agreement

Mutually agreed upon changes to the acquisition agreement to ensure proper use of funds, disbursement of existing fund balance and other minor changes.

Should the City Authorizing Resolution and Authority Authorizing Resolution be approved, it is anticipated that the Preliminary Official Statement will be posted to potential investors on August 18th, with pricing to follow on August 26th and funding/closing to occur on September 9st. The estimated bond financing numbers included within this staff report and subject to change based on market conditions.

ATTACHMENTS:

City Resolution

Authority Resolution

Fiscal Agent Agreement

Preliminary Official Statement

Indenture of Trust

Bond Purchase Agreement

Local Obligations Purchase Agreement

Amendment to Acquisition, Funding and Disclosure Agreement

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Issuance and Sale of Special Tax Bonds for)
And on behalf of City of Pittsburg Community)
Facilities District 2009-01(San Marco) and)
Approving the Execution and Delivery of)
Documents and Other Matters Properly)
Relating thereto)

RESOLUTION NO. 26-

WHEREAS, the City of Pittsburg (the "City") has conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing with Section 53311) of the California Government Code (the "Mello-Roos Act") to form Community Facilities District 2009-01 (San Marco) (the "CFD"); and

WHEREAS, indebtedness for the CFD has been authorized to be issued in an amount not to exceed \$25,000,000; and

WHEREAS, the City is authorized to levy special taxes upon the land within the CFD, to issue bonds secured by said special taxes, and to cause the proceeds of such authorized special taxes and bonds to be used to finance certain public improvements (the "Facilities"), all as described in the CFD formation proceedings; and

WHEREAS, the City of Pittsburg Public Financing Authority (the "Authority") is a joint exercise of powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act (the "Bond Law"), among other things, to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations and for financing public capital improvements of benefit to the City; and

WHEREAS, the City desires to issue Special Tax Bonds for the CFD (the "Bonds") (constituting the "Local Obligations" to be purchased by the Authority) under the provisions of the Mello-Roos Act to finance Facilities, and the Authority has determined that it is in the best financial interests of the City and the CFD to assist and accommodate such financing; and

WHEREAS, the City wishes to sell the Bonds to the Authority and the Authority wishes to purchase the Bonds and designate the bond payments received thereon as security for bonds issued by the Authority; and

WHEREAS, for the purpose of purchasing the Bonds and thereby facilitating the financing of the Facilities, the Authority has determined to issue its Special Tax Revenue Bonds, Series 2026 (the "Authority Bonds"), pursuant to the Bond Law; and

WHEREAS, as required by Section 6586.5 of the Bond Law, as applicable, the City previously caused publication of a notice of a public hearing on the financing of the Facilities once at least five days prior to the hearing in a newspaper of general circulation in the area of the City, held the required public hearing and made the required findings of significant public benefit, as required by the Bond Law; and

WHEREAS, for the proposed financing, there has been filed with the Council the forms of the following documents (together, the "Financing Documents") to be executed by the City with respect to the issuance of the Bonds and Authority Bonds, which the Council desires to approve for execution as described herein:

1. Fiscal Agent Agreement (the "Fiscal Agent Agreement"), between the City and The Bank of New York Mellon Trust Company, N.A., as fiscal agent;
- ii. Local Obligations Purchase Agreement relating to the sale of the Bonds to the Authority, to be dated the date of sale of the Bonds, between the Authority and the City (the "Bonds Purchase Agreement"); and
- iii. Preliminary Official Statement for the Authority Bonds (the "Preliminary Official Statement"), including a form of Continuing Disclosure Certificate for the Authority Bonds.

WHEREAS, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds and the Authority Bonds as contemplated by this Resolution and the documents referred to herein exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Mello-Roos Act.

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

1. Findings. This Council finds and determines that (i) it is prudent in the management and development of land in the City and the CFD to issue the Bonds to provide money for financing the acquisition of improvements, and the payment of certain fees, authorized to be financed by the CFD, and (ii) the Bonds and the CFD are substantially in compliance with the City's Local Goals and Policies Regarding the Use of the Mello-Roos Community Facilities Act of 1982, with any deviations hereby approved.
2. Law Applicable. For the purposes of these proceedings in and for the CFD, the Mello-Roos Act shall be the authority for the issuance of the Bonds.
3. Bonds Authorized. Pursuant to the Mello-Roos Act, this Resolution and the Financing Documents, the City Council hereby authorizes the issuance of the Bonds in an aggregate principal amount not in excess of the principal amounts established herein. The Council finds that Contra Costa County assessed value of the parcels within the CFD subject to the special tax to be levied on property within the CFD is at least three times the proposed principal amount of the Bonds proposed to be issued and secured by such special tax plus the principal amount of all other bonds outstanding that are secured by a special tax levied on property within the CFD or a special assessment levied on property within the CFD, in conformance with Section 53345.8 of the Mello-Roos Act.

4. Findings Relating to Financing of Facilities. The City Council hereby finds that issuance of the Authority Bonds for the purpose of financing the public facilities and acquiring the public facilities will result in significant public benefits of the type described in Section 6586 of the Bond Law, including, but not limited to, a more efficient delivery of City services to residential development and demonstrable savings in effective interest rate, bond preparation, bond underwriting and bond issuance costs. The City Council hereby acknowledges and approves the issuance of the Authority Bonds.

5. Authorities Granted. The City Manager, Finance Director, or such other official of the City as may be designated by such officer pursuant to Section 10 hereof (each, an "Authorized Officer"), each acting alone, is hereby authorized and directed to execute and deliver the documents approved herein in substantially the form on file with the City Clerk, together with such additions or changes as are approved by an Authorized Officer upon consultation with the City's bond counsel and municipal advisor, including such additions or changes as are necessary or advisable to permit the timely issuance, sale and delivery of the Bonds. The approval of such additions or changes shall be conclusively evidenced by the execution and delivery by an Authorized Officer of the documents herein specified.

6. Fiscal Agent Agreement. The Bonds shall be issued under the terms of the Fiscal Agent Agreement. The City Council hereby approves the form of the Fiscal Agent Agreement in substantially the form presented to this City Council, together with any changes therein or additions thereto deemed advisable by an Authorized Officer. The date, manner of payment, principal amount, interest rate or rates, interest payment dates, denominations, form, manner of execution, place of payment, terms of redemption, costs of issuing and other terms of the Bonds shall be as provided in each Fiscal Agent Agreement as finally executed and delivered. The terms and provisions of the Fiscal Agent Agreement, as executed, are incorporated herein by this reference as if fully set forth herein. An Authorized Officer is hereby authorized and directed to execute the Fiscal Agent Agreement on behalf of the City and the CFD and the City Clerk is hereby authorized and directed to attest thereto. The Council hereby authorizes the delivery and performance of the Fiscal Agent Agreement. In furtherance of the foregoing, the City hereby covenants, for the benefit of the owners of the Bonds and Authority Bonds, to commence and diligently pursue to completion any foreclosure action regarding delinquent installments of any amount levied as a special tax for the payment of interest or principal of any series of the Bonds, said foreclosure action to be commenced and pursued as more completely set forth in the Fiscal Agent Agreement.

7. Sale of Bonds to the Authority; Local Obligations Purchase Agreement. The form of the Local Obligations Purchase Agreement relating to the sale of the Bonds by the City to the Authority, to be dated the date of sale, between the City and the Authority is hereby approved, in substantially the form presented, which is consistent with the following requirements: the aggregate principal amount of the Bonds shall not be in excess of \$25,000,000, and the true interest cost of the Bonds shall not be in excess of 7.00%. An Authorized Officer is hereby authorized and directed to execute the Local Obligations Purchase Agreement on behalf of the City and the City Clerk is hereby authorized and directed to attest thereto. The Council hereby authorizes the delivery and performance of the Local Obligations Purchase Agreement.

8. Official Statement; Continuing Disclosure Certificate. The City Council hereby approves the Preliminary Official Statement prepared in connection with the Authority Bonds in substantially the form presented to this City Council, together with any changes therein or additions thereto deemed advisable by an Authorized Officer, each acting alone. The City Council hereby approves and authorizes the distribution by Piper Sandler & Co., as underwriter of the Authority Bonds, of the Preliminary Official Statement to prospective purchasers of the Authority Bonds, and authorizes and directs an Authorized Officer on behalf of the City to deem the Preliminary Official Statement “final” pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”) prior to its distribution to prospective purchasers of the Authority Bonds. The subsequent execution of a final Official Statement is hereby authorized, which shall include then current financial information regarding the City and such other changes and additions to the Preliminary Official Statement deemed advisable by an Authorized Officer, and such execution shall be conclusive evidence of the approval of the final Official Statement by the City.

The City Council hereby approves the form of the Continuing Disclosure Certificate with respect to the Authority Bonds in substantially the form thereof attached to the Preliminary Official Statement. An Authorized Officer is hereby authorized and directed to complete and execute the Continuing Disclosure Certificate on behalf of the City (for and on behalf of itself and the Authority) with such changes, additions or deletions as may be approved by the Authorized Officer.

9. Approval of Amendment to Acquisition Agreement. The City Council hereby directs an Authorized Officer to cause preparation by the City’s Bond Counsel of an amendment to the Acquisition, Funding and Disclosure Agreement dated as of April 5, 2010 related to the CFD, in such form as is deemed necessary and approved by an Authorized Officer. Any Authorized Officer is authorized to and directed to execute each such amendment in a form deemed acceptable by the Authorized Officer executing the same, on such terms as the Authorized Officer and the City’s Bond Counsel deem appropriate.

10. Actions Authorized. All actions heretofore taken by the officers and agents of the City with respect to the establishment of the CFD, the designation of Improvement Areas therein and the sale and issuance of the Bonds and the Authority Bonds are hereby approved, confirmed and ratified, and the appropriate officers of the City, or their designee, are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and the Authority Bonds in accordance with this resolution, and any certificate, agreement, including amendment to an existing acquisition agreement, and other document described in the documents herein approved. All actions to be taken by an Authorized Officer, as defined herein, may be taken by such Authorized Officer or any designee, with the same force and effect as if taken by the Authorized Officer.

11. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 17th day of August 2026 by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dionne Adams, Mayor

ATTEST:

Alice E. Evenson, City Clerk

BEFORE THE GOVERNING BOARD OF THE CITY OF PITTSBURG
PUBLIC FINANCING AUTHORITY

In the Matter of:

Issuance and Sale of Special Tax Revenue	)	
Bonds and Purchase of Special Tax Bonds	)	
Issued by the City of Pittsburg for its	)	RESOLUTION NO. 26-
Community Facilities District 2009-01	)	
(San Marco), and Approving the Execution	)	
And Delivery of Documents and Other	)	
<u>Matters Properly Relating Thereto</u>	)	

WHEREAS, the City of Pittsburg Public Financing Authority (the "Authority") is a joint exercise of powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act (the "Bond Law"), among other things, to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations and for financing public capital improvements of the City of Pittsburg (the "City"); and

WHEREAS, the City has conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing with Section 53311) of the California Government Code (the "Mello-Roos Act") to form Community Facilities District 2009-01 (San Marco) (the "CFD"); and

WHEREAS, the City is authorized to levy special taxes upon the land within the CFD, to issue bonds secured by said special taxes, and to cause the proceeds of such authorized special taxes and bonds to be used to finance certain public improvements (the "Facilities"), all as described in the CFD formation proceedings; and

WHEREAS, the City desires to issue Special Tax Bonds for the CFD (the "Local Obligations") under the provisions of the Mello-Roos Act to finance Facilities and has determined that it is in the best financial interests of the City and the CFD for the Authority to assist and accommodate such financing; and

WHEREAS, the Authority has determined that it is in the best financial interests of the Authority to facilitate the financing of the Facilities by the City, and to that end the Authority wishes to purchase the Local Obligations and designate the bond payments received thereon as security for bonds issued by the Authority; and

WHEREAS, for the purpose of purchasing the Local Obligations and thereby facilitating the financing of the Facilities, the Authority has determined to issue its Special Tax Revenue Bonds, Series 2026, which may be issued in one or more series (the "Authority Bonds"), pursuant to the Bond Law; and

WHEREAS, as required by Section 6586.5 of the Bond Law, as applicable, the City previously caused publication of a notice of a public hearing on the financing of the

Facilities once at least five days prior to the hearing in a newspaper of general circulation in the area of the City, held the required public hearing and made the required findings of significant public benefit, as required by the Bond Law; and

WHEREAS, for the proposed financing, there has been filed with the Board the forms of the following documents (together, the “Financing Documents”) to be executed by the Authority with respect to the issuance of the Authority Bonds, which the Board desires to approve for execution as described herein:

1. Indenture of Trust (the “Indenture”), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”);
- ii. Preliminary Official Statement for the Authority Bonds (the “Preliminary Official Statement”), including a form of Continuing Disclosure Certificate for the Authority Bonds;
- iii. Bond Purchase Agreement relating to the sale of the Authority Bonds to Piper Sandler & Co., as underwriter (the “Underwriter”), to be dated the date of sale of the Authority Bonds, between the Authority and the Underwriter (the “Bond Purchase Agreement”); and
- iv. Local Obligations Purchase Agreement relating to the sale of the Local Obligations to the Authority, to be dated the date of sale of the Authority Bonds, between the Authority and the City (the “Local Obligations Purchase Agreement”).

WHEREAS, in accordance with Government Code Section 5852.1, the Governing Board of the City of Pittsburg Public Financing Authority has obtained and disclosed the information required thereby.

NOW THEREFORE, BE IT RESOLVED, by the Governing Board of the City of Pittsburg Public Financing Authority, as follows:

1. Recitals. Each of the above recitals is true and correct and is adopted by the Board of Directors.
2. Bonds Authorized. The Authority Bonds shall be issued in an aggregate principal amount not to exceed \$25,000,000 with the number of series, the exact principal amount, the interest rates and the maturity to be determined by the sale of the Authority Bonds as described in Section 5 below. The Authority Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair, Executive Director or Treasurer (each an “Authorized Officer”), and the seal of the Authority, or a facsimile thereof, may be impressed or imprinted thereon and attested with the manual or facsimile signature of the Secretary of the Authority.
3. Indenture. The Authority Bonds shall be issued under the terms of the Indenture, the form of which is on file with the Secretary of the Board of Directors. The Board of Directors hereby approves the Indenture in substantially the form on file with the Secretary, together with any changes therein or additions thereto approved by, and the execution thereof by an Authorized Officer shall be conclusive evidence of such approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Officer to execute, and the Secretary may attest and affix the

seal of the Authority to, the final form of the Indenture for and in the name of the Authority. The Board of Directors hereby authorizes the delivery and performance of the Indenture.

4. Local Obligations Purchase Agreement. The Local Obligations shall be purchased by the Authority under the terms of the Local Obligations Purchase Agreement, the form of which is on file with the Secretary of the Board of Directors. The Board of Directors hereby approves the Local Obligations Purchase Agreement in substantially the form on file with the Secretary, together with any changes therein or additions thereto approved by, and the execution thereof by an Authorized Officer shall be conclusive evidence of such approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Officer to execute, and the Secretary may attest and affix the seal of the Authority to, the final form of the Local Obligations Purchase Agreement for and in the name of the Authority. The Board of Directors hereby authorizes the delivery and performance of the Local Obligations Purchase Agreement.

5. Sale of the Bonds; Bond Purchase Agreement. The Board hereby approves the sale of the Authority Bonds by negotiation with Piper Sandler & Co. (the "Underwriter") and pursuant to the Bond Purchase Agreement. The form of the Bond Purchase Agreement providing for the sale of the Authority Bonds by the Authority to the Underwriter presented at this meeting is hereby approved, together with any changes therein or additions thereto approved by, and the execution thereof by, an Authorized Officer shall be conclusive evidence of such approval of any such changes or additions. The Bond Purchase Agreement shall be executed in the name and on behalf of the Authority by an Authorized Officer upon submission of a proposal by the Underwriter to purchase the Authority Bonds, which offer is consistent with the following requirements: the amount of Underwriter's discount shall be not more than 0.85% of the par amount thereof, the true interest cost shall not be in excess of 6.00% and the aggregate principal amount of the Authority Bonds shall not be in excess of \$25,000,000. The Board hereby authorizes and directs an Authorized Officer to execute, and the Secretary may attest and affix the seal of the Authority to, the final form of the Bond Purchase Agreement for and in the name of the Authority. The Board hereby authorizes the delivery and performance of the Bond Purchase Agreement.

6. Official Statement. The form of the Preliminary Official Statement presented at this meeting is hereby approved and the Underwriter is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the Authority Bonds in the form hereby approved, together with such additions thereto and changes therein as are determined necessary by an Authorized Officer, to make such Preliminary Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission, including, but not limited to, such additions and changes as are necessary to incorporate the terms of any municipal bond insurance for the Authority Bonds and make the information therein accurate and not misleading. Each Authorized Officer is hereby authorized to execute a final Official Statement substantially in the form of the Preliminary Official Statement, together with such changes as are determined necessary by an Authorized Officer, or his or her designee, to make such Official Statement complete and accurate as of its date. The Underwriter is further authorized to distribute the final Official Statement for the Authority Bonds and any supplement thereto to the purchasers thereof upon its execution on behalf of the Authority, which execution by an Authorized Officer is hereby approved.

The Board hereby approves the form of the Continuing Disclosure Certificate with respect to the Authority Bonds in substantially the form thereof attached to the Preliminary Official Statement.

7. Actions Authorized. All actions heretofore taken by the officers and agents of the City with respect to the sale and issuance of the Authority Bonds are hereby approved, confirmed and ratified, and the appropriate officers of the Authority, or their designee, are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Authority Bonds in accordance with this resolution, and any certificate, agreement, and other document described in the documents herein approved. All actions to be taken by an Authorized Officer, as defined herein, may be taken by such Authorized Officer or any designee, with the same force and effect as if taken by the Authorized Officer.

8. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND APPROVED by the Governing Board of the City of Pittsburg Public Financing Authority at a regular meeting on the 17th day of August 2026, by the following vote:

AYES:

NOES:

ABSTAINED

ABSENT:

Dionne Adams, Chair

ATTEST:

Alice E. Evenson, Agency Secretary

FISCAL AGENT AGREEMENT

by and between

CITY OF PITTSBURG

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Fiscal Agent**

Dated as of September 1, 2026

Relating to:

**\$ _____
City of Pittsburgh
Community Facilities District 2009-01
(San Marco)
Special Tax Bonds Series 2026**

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EXHIBIT A FORM OF BOND

FISCAL AGENT AGREEMENT

THIS FISCAL AGENT AGREEMENT (the "Agreement") is made and entered into and dated as of _____ 1, 2026, by and between the City of Pittsburg, a municipal corporation and general law city, organized and existing under and by virtue of the Constitution and laws of the State of California (the "City") for and on behalf of Community Facilities District 2009-01 (San Marco), City of Pittsburg, County of Contra Costa, State of California (the "District"), and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the laws of the United States of America with a corporate trust office located in Los Angeles, California, as fiscal agent (the "Fiscal Agent").

WITNESSETH:

WHEREAS, on December 21, 2009, the City Council of the City formed the District pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"); and

WHEREAS, also on December 21, 2009, of the City Council of the City, as legislative body of the District, established the bonded indebtedness limit for the District in the principal amount of not to exceed \$25,000,000; and

WHEREAS, under the Act, the City Council is authorized to issue bonded indebtedness secured by special taxes levied within the District for the purpose of providing moneys for the construction and acquisition of improvements, and the payment of certain fees, authorized for the District; and

WHEREAS, under the provisions of the Act, on _____, 2026, the City Council of the City adopted its Resolution No. _____ (the "Resolution"), which resolution authorized the issuance of its City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds Series 2026 to provide moneys for the construction and acquisition of improvements for the District and provided that said issuance would be in accordance with the Act and this Agreement, and authorized the execution hereof;

WHEREAS, the City of Pittsburg Public Financing Authority (the "Authority") has determined to issue its Pittsburg Financing Authority Special Tax Revenue Bonds, Series 2026 (the "Authority Bonds") pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California and to purchase the Bonds and designate the payments thereon received by the Authority as security for Authority Bonds;

WHEREAS, it is in the public interest and for the benefit of the City, the District, the persons responsible for the payment of special taxes and the Owners of the Bonds that the City enter into this Agreement to provide for the issuance of the Bonds, the disbursement of proceeds of the Bonds, the disposition of the special taxes securing the Bonds authorized to be issued hereunder and the administration and payment of the Bonds; and

WHEREAS, the City has determined that all things necessary to cause the Bonds, when authenticated by the City for the District and issued as in the Act, the Resolution and this Agreement provided to be legal, valid and binding and special obligations of the City for the District in accordance with their terms, and all things necessary to cause the creation, authorization, execution and delivery of this Agreement and the creation, authorization, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

AUTHORITY AND DEFINITIONS

Section 1.01. Authority for this Agreement. This Agreement is entered into pursuant to the provisions of the Act and the Resolution.

Section 1.02. Agreement for Benefit of Bondowners. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the Owners. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by this Agreement. The Fiscal Agent may become the Owner of any of the Bonds in its own or any other capacity with the same rights it would have if it were not Fiscal Agent.

Section 1.03. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.03 shall, for all purposes of this Agreement, of any Supplemental Agreement, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

"Acquisition Agreement" means the Acquisition, Funding and Disclosure Agreement, dated as of April 5, 2010, by and among the City, West Coast Home Builders, Inc., Seecon Financial & Construction Co., Inc. and San Marco Properties, LLC, and any amendments thereto.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311 *et seq.* of the California Government Code.

"Additional Bonds" means any bonds other than the Bonds issued pursuant to Section 5.17 hereof.

"Administrative Expense Priority" means an amount to compensate the City for its internal administrative expenses related to the District, in the amount of (i) for Fiscal Year 2026-27, \$_____, and (ii) for each subsequent fiscal year, an amount equal to the preceding fiscal year's Administrative Expense Priority plus an additional 2% of such amount.

"Administrative Expenses" means any or all of the following: the fees and expenses of the Fiscal Agent (including any fees or expenses of its counsel), the expenses of the City in carrying out its duties hereunder (including, but not limited to, the levying and collection of the Special Taxes, and the foreclosure of the liens of delinquent Special Taxes) including the fees and expenses of its counsel, an allocable share of the salaries of City staff directly related thereto and a proportionate amount of City general administrative overhead related thereto, any amounts paid by the City from its general funds pursuant to Section 6.02, and all other costs and expenses of the City or the Fiscal Agent incurred in connection with the issuance and administration of the Bonds and/or the discharge of their respective duties hereunder (including, but not limited to, the calculation of the levy of the Special Taxes, foreclosures with respect to delinquent taxes, and the calculation of amounts subject to rebate to the United States) and, in the case of the City, in any way related to the administration of the District. Administrative

Expenses shall include any such expenses incurred in prior years but not yet paid, and any advances of funds by the City under Section 6.02 hereof.

“Agreement” means this Fiscal Agent Agreement, as it may be amended or supplemented from time to time by any Supplemental Agreement.

“Annual Debt Service” means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled, and (ii) the principal amount of the Outstanding Bonds, including any mandatory sinking fund payments, due in such Bond Year.

“Authority” means the City of Pittsburg Public Financing Authority.

“Authority Indenture” means that certain Indenture of Trust, dated as of September 1, 2026, between the Authority and the Authority Trustee, pursuant to which the Authority Bonds are issued.

“Authority Reserve Fund” means the Reserve Fund by that name established pursuant to Authority Indenture.

“Authority Bonds” means the Authority’s Special Tax Revenue Bonds, Series 2026 issued under the Authority Indenture.

“Authority Trustee” means The Bank of New York Mellon Trust Company, N.A. or any successor thereto appointed pursuant to the Authority Indenture.

“Authorized Officer” means the City Manager, Finance Director, Administrative Services Director, or any other officer or employee authorized by the City Council of the City or by an Authorized Officer to undertake the action referenced in this Agreement as required to be undertaken by an Authorized Officer.

“Bond Counsel” means (i) Jones Hall LLP or (ii) any other attorney or firm of attorneys acceptable to the City and nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Fund” means the fund by that name established pursuant to Section 4.02(A) hereof.

“Bonds” means the City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds Series 2026 issued hereunder.

“Bond Year” means each twelve-month period beginning on September 2 in any year and extending to the next succeeding September 1, both dates inclusive; except that the first Bond Year shall begin on the Closing Date and end on September 1, 2027.

“Business Day” means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the state in which the Principal Office of the Fiscal Agent is located are authorized or obligated by law or executive order to be closed.

“CDIAC” means the California Debt and Investment Advisory Commission of the office of the State Treasurer of the State of California or any successor agency or bureau thereto.

“City” means the City of Pittsburg, California.

“Closing Date” means September __, 2026, being the date upon which there is a physical delivery of the Bonds in exchange for the amount representing the purchase price of the Bonds by the Original Purchaser.

“Code” means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate, dated September 1, 2026, by and among the City and Goodwin Consulting Group, Inc., in its capacity as Dissemination Agent, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Debt Service Account” means the account of the Special Tax Fund by that name established by Section 3.03(A) hereof.

“Debt Service” means the scheduled amount of interest and amortization of principal payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

“District” means the Community Facilities District 2009-01 (San Marco), City of Pittsburg, County of Contra Costa, State of California established pursuant to the Resolution of Formation.

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security—State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) the investment is the Local Agency Investment Fund of the State of California, but only if at all times during which the investment is held its yield is reasonably expected to be equal to or greater than the yield on a reasonably comparable direct obligation of the United States.

“Federal Securities” means any of the following which are non-callable and which at the time of investment are legal investments under the laws of the State of California for funds held by the Fiscal Agent (the Fiscal Agent entitled to rely upon investment direction from the City as a certification that such investment constitutes a legal investment).

(i) Direct general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the United States Department of the Treasury) and obligations, the payment of principal of and interest on which are

directly or indirectly guaranteed by the United States of America, including, without limitation, such of the foregoing which are commonly referred to as “stripped” obligations and coupons; or

(ii) Any of the following obligations of the following agencies of the United States of America: (i) direct obligations of the Export-Import Bank, (ii) certificates of beneficial ownership issued by the Farmers Home Administration, (iii) participation certificates issued by the General Services Administration, (iv) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association, (v) project notes issued by the United States Department of Housing and Urban Development, and (vi) public housing notes and bonds guaranteed by the United States of America.

“Finance Director” means the Finance Director, including any acting or interim Finance Director, of the City, or the Administrative Services Director or a person serving in a similar capacity, or a designee of such person, or the City Manager.

“Fiscal Agent” means the Fiscal Agent appointed by the City and acting as an independent fiscal agent with the duties and powers herein provided, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 7.01.

“Fiscal Year” means the twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding year, both dates inclusive.

“Improvement Fund” means the fund by that name established pursuant to Section 3.04(A) hereof.

“Interest Payment Dates” means March 1 and September 1 of each year, commencing March 1, 2027.

“Maximum Annual Debt Service” means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

“Officer’s Certificate” means a written certificate of the City signed by an Authorized Officer of the City.

“Ordinance” means any ordinance of the City levying the Special Taxes.

“Original Purchaser” means the Authority Trustee, acting on behalf of the Authority.

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 8.04) all Bonds except (i) Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation; (ii) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the City pursuant to the Agreement or any Supplemental Agreement.

“Owner” or *“Bondowner”* means any person who shall be the registered owner of any Outstanding Bond.

“Participating Underwriter” shall have the meaning ascribed thereto in the Continuing Disclosure Certificate entered into by the Authority in connection with the issuance of the Authority Bonds.

“Permitted Investments” means any of the following, to the extent that they are lawful investments for City funds at the time of investment, and are acquired at Fair Market Value (the Fiscal Agent entitled to rely upon investment direction from the City as a certification that such investment constitutes a legal investment):

(i) Federal Securities;

(ii) any of following obligations of federal agencies not guaranteed by the United States of America: (a) debentures issued by the Federal Housing Administration; (b) participation certificates or senior debt obligations of the Federal Home Loan Mortgage Corporation or Farm Credit Banks (consisting of Federal Land Banks, Federal Intermediate Credit Banks or Banks for Cooperatives); (c) bonds or debentures of the Federal Home Loan Bank Board established under the Federal Home Loan Bank Act, bonds of any federal home loan bank established under said act and stocks, bonds, debentures, participations and other obligations of or issued by the Federal National Mortgage Association, the Student Loan Marketing Association, the Government National Mortgage Association and the Federal Home Loan Mortgage Corporation; and bonds, notes or other obligations issued or assumed by the International Bank for Reconstruction and Development;

(iii) interest-bearing demand or time deposits (including certificates of deposit) in federal or State of California chartered banks (including the Fiscal Agent), provided that (a) in the case of a savings and loan association, such demand or time deposits shall be fully insured by the Federal Deposit Insurance Corporation, or the unsecured obligations of such savings and loan association shall be rated in one of the top two rating categories by a nationally recognized rating service, and (b) in the case of a bank, such demand or time deposits shall be fully insured by the Federal Deposit Insurance Corporation, or the unsecured obligations of such bank (or the unsecured obligations of the parent bank holding company of which such bank is the lead bank) shall be rated in one of the top two rating categories by a nationally recognized rating service;

(iv) repurchase agreements with a registered broker/dealer subject to the Securities Investors Protection Corporation Liquidation in the event of insolvency, or any commercial bank provided that: (a) the unsecured obligations of such bank shall be rated in one of the top two rating categories by a nationally recognized rating service, or such bank shall be the lead bank of a banking holding company whose unsecured obligations are rated in one of the top two rating categories by a nationally recognized rating service; (b) the most recent reported combined capital, surplus and undivided profits of such bank shall be not less than \$100 million; (c) the repurchase obligation under any such repurchase obligation shall be required to be performed in not more than 30 days; (d) the entity holding such securities as described in clause (c) shall have a pledged first security interest therein for the benefit of the Fiscal Agent under the California Commercial Code or pursuant to the book-entry procedures described by 31 C.F.R. 306.1 *et seq.* or 31 C.F.R. 350.0 *et seq.* and are rated in one of the top two rating categories by a nationally recognized rating service;

(v) bankers acceptances endorsed and guaranteed by banks described in clause (iv) above;

(vi) obligations, the interest on which is exempt from federal income taxation under Section 103 of the Code and which are rated in the one of the top two rating categories by a nationally recognized rating service;

(vii) money market funds which invest solely in Federal Securities or in obligations described in the preceding clause (ii) of this definition, or money market funds which are rated in the highest rating category by Standard & Poor's Ratings Services or Moody's Investor Service, including funds which are managed or maintained by the Fiscal Agent;

(viii) units of a taxable government money market portfolio comprised solely of obligations listed in (i) and (iv) above;

(ix) any investment which is a legal investment for proceeds of the Bonds at the time of the execution of such agreement, and which investment is made pursuant to an agreement between the City or the Fiscal Agent or any successor Fiscal Agent and a financial institution or governmental body whose long term debt obligations are rated in one of the top two rating categories by a nationally recognized rating service;

(x) commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, or Standard and Poor's Corporation, of issuing corporations that are organized and operating within the United States and having total assets in excess of \$500,000,000, and having a rating of at least "AA" (without regard to qualifier) for the issuer's debentures, other than commercial paper, as provided for by Moody's Investors Service or Standard and Poor's Corporation, and provided that purchases of eligible commercial paper may not exceed 180 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation;

(xi) any general obligation of a bank or insurance company whose long term debt obligations are rated in one of the two highest rating categories of a national rating service;

(xii) shares in a common law trust established pursuant to Title 1, Division 7, Charter 5 of the Government Code of the State which invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the Government Code of the State, as it may be amended;

(xiii) shares in the California Asset Management Program;

(xiv) the Local Agency Investment Fund established pursuant to Section 16429.1 of the Government Code of the State of California, provided, however, that the Fiscal Agent will be permitted to make investments and withdrawals in its own name and the Fiscal Agent may restrict investments in the such fund if necessary to keep moneys available for the purposes of this Fiscal Agent Agreement; or

(xv) any other lawful investment for City funds.

“Prepayment Account” means the account of the Bond Fund by that name established by Section 4.02(A) hereof.

“Principal Office” means the corporate trust office of the Fiscal Agent set forth in Section 9.06, or such other or additional offices as may be designated by the Fiscal Agent.

“Project” means the acquisitions and improvements described in the Resolution of Formation and pursuant to the Acquisition Agreement and any joint community facilities agreements, including actual costs related thereto, including costs incurred for formation of the District.

“Rate and Method” means the Rate and Method of Apportionment of Special Tax for The District, as initially approved and as may be amended.

“Record Date” means the 15th day of the month next preceding the month of the applicable Interest Payment Date whether or not such day is a Business Day.

“Regulations” means temporary and permanent regulations promulgated under the Code.

“Reserve Requirement” means, initially, the amount of \$_____, and thereafter any lesser amount, if and to the extent determined by the Authority.

“Resolution” means Resolution No. _____, adopted by the City Council of the City on [August 3], 2026, which resolution authorized the issuance of the Bonds.

“Resolution of Formation” means Resolution No. 09-11366, adopted by the City Council of the City of Pittsburg on December 21, 2009 establishing the District.

“Series” means any series of bonds authorized for the District pursuant to this Fiscal Agent Agreement or any Supplemental Agreement.

“Special Tax Administrator” means Goodwin Consulting Group, Inc., Sacramento, California, or any other entity which may at any time be substituted in its place by the City.

“Special Tax Fund” means the fund by that name established by Section 3.03(A) hereof.

“Special Tax” means the “Special Tax” as defined in the Rate and Method, levied within the District pursuant to the Act, the Ordinance and this Agreement.

“Special Tax Revenues” means the proceeds of the Special Taxes annually received by the City, excluding any interest and penalties thereon collected in connection with delinquent Special Taxes, less an amount equal to the Administrative Expense Priority, including all scheduled payments and delinquent payments thereof, and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes.

“Supplemental Agreement” means an agreement which is amendatory of or supplemental to this Agreement, but only if and to the extent that such agreement is specifically authorized hereunder.

“Surplus Account” means the account of the Special Tax Fund by that name established by Section 3.03(A) hereof.

ARTICLE II

THE BONDS

Section 2.01. Principal Amount; Designation. Bonds in the aggregate principal amount of \$_____ are hereby authorized to be issued by the City for the District under and subject to the terms of the Resolution and this Agreement, the Act and other applicable laws of the State of California. The Bonds shall be designated the "City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds Series 2026."

Section 2.02. Terms of Bonds.

(A) Form; Denominations. The Bonds shall be issued as fully registered Bonds without coupons in the denomination of \$5,000 or any integral multiple of \$5,000 in excess thereof. The Bonds shall be lettered and numbered in a customary manner as determined by the Fiscal Agent.

(B) Date of Bonds. The Bonds shall be dated the Closing Date for the Bonds.

(C) CUSIP Identification Numbers. So long as the Bonds are registered to the Original Purchaser no "CUSIP" identification numbers shall be assigned to the Bonds.

(D) Maturities. The Bonds shall be issued as serial bonds and shall mature and become payable as follows:

<u>Maturity Date</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>

(T)

(T) Term Bond.

(E) Interest. The Bonds shall bear interest at the rates set forth above payable on the Interest Payment Dates in each year. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such date of authentication, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from the Closing Date; provided, however, that if at the time of authentication of a Bond, interest is in default thereon, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

(F) Method of Payment. The principal of and interest on the Bonds and any premium thereon are payable in lawful money of the United States of America. So long as the Original

Purchaser is the owner of the Bonds the Fiscal Agent may transfer payments to the Authority Trustee in whatsoever manner the Fiscal Agent and Authority Trustee deem expeditious.

All Bonds paid by the Fiscal Agent pursuant to this Section shall be cancelled by the Fiscal Agent. The Fiscal Agent shall destroy the cancelled Bonds and issue a certificate of destruction thereof to the City.

Section 2.03. Redemption.

(A) Redemption Dates.

(i) Optional Redemption. The Bonds are subject to redemption prior to their respective stated maturities at the option of the City, from moneys deposited by the Authority or the City from any source of available funds, as a whole or in part (in such maturities as may be specified by the City and at random within a maturity) on any date on and after September 1, _____ at the following respective redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 1, _____ through August 31, _____	103%
September 1, _____ through August 31, _____	102
September 1, _____ through August 31, _____	101
September 1, _____ and any date thereafter	100

(ii) Mandatory Redemption From Prepayments. The Bonds are subject to mandatory redemption from prepayments of the Special Tax by property owners, in whole or in part among maturities as shall be specified by the City and by lot within a maturity, on any Interest Payment Date at the following respective redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 1, _____ through and including March 1, _____	103%
September 1, _____ and March 1, _____	102
September 1, _____ and March 1, _____	101
September 1, _____ and any Interest Payment Date thereafter	100

(iii) Mandatory Sinking Fund Redemption. The Bonds maturing September 1, _____ and September 1, _____ are subject to mandatory sinking payment redemption in part on September 1, _____ and September 1, _____, respectively, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following tables:

Term Bonds Maturing September 1, _____

Sinking Fund Redemption Date (September 1)	Sinking Fund <u>Payment</u>

(maturity)

Term Bonds Maturing September 1, _____

**Sinking Fund
Redemption Date
(September 1)**

Sinking Fund Payment

(maturity)

The amounts in the foregoing tables shall be reduced pro rata at the direction of the City in an Officer's Certificate, in order to maintain substantially uniform debt service, as a result of any prior partial redemption of the Bonds pursuant to Section 2.03(A)(i) or (ii) above.

In lieu of redemption under this Section 2.03, moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding Bonds, upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide, but in no event may Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase.

(B) Notice to Fiscal Agent. The City shall give the Fiscal Agent an Officer's Certificate containing notice of its intention to redeem Bonds pursuant to subsections (A)(i) and (A)(ii) not less than 45 days prior to the applicable redemption date.

(C) Redemption Procedure by Fiscal Agent. The Fiscal Agent shall cause notice of any redemption to be mailed by first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to the respective registered Owners of any Bonds designated for redemption, at their addresses appearing on the Bond registration books in the Principal Office of the Fiscal Agent; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such Bonds. Notwithstanding the foregoing, so long as the Original Purchaser is the owner of the Bonds giving of notice shall notice shall not be required.

The City has the right to rescind any notice of the redemption of Bonds under Section 2.03(A)(i) by written notice to the Fiscal Agent on or prior to two Business Days prior the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an event of default. The City and the Fiscal Agent have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Fiscal Agent shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under this Section.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number, if any, identifying, by issue and maturity, of the Bonds being redeemed with the proceeds of such check or other transfer.

Whenever provision is made in this Agreement for the redemption of less than all of the Bonds of any maturity, the Fiscal Agent shall select the Bonds to be redeemed, from all Bonds or such given portion thereof of such maturity by lot in any manner which the Fiscal Agent in its sole discretion shall deem appropriate.

Upon surrender of Bonds redeemed in part only, the City shall execute and the Fiscal Agent shall authenticate and deliver to the registered Owner, at the expense of the City, a new Bond or Bonds, of the same series and maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

(D) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the Bonds so called for redemption shall have been deposited in the Bond Fund, such Bonds so called shall cease to be entitled to any benefit under this Agreement other than the right to receive payment of the redemption price, and no interest shall accrue thereon on or after the redemption date specified in such notice.

All Bonds redeemed and purchased by the Fiscal Agent pursuant to this Section shall be canceled by the Fiscal Agent. The Fiscal Agent shall destroy the cancelled Bonds and issue a certificate of destruction thereof to the City.

Section 2.04. Form of Bonds. The Bonds, the form of Fiscal Agent's certificate of authentication and the form of assignment, to appear thereon, shall be substantially in the forms, respectively, set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Agreement, the Resolution and the Act.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the City by the Mayor and the City Clerk of the City who are in office on the date of adoption of this Agreement or at any time thereafter, and the seal of the City shall be impressed, imprinted or reproduced by facsimile signature thereon. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the Owner, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the Owner. Any Bond may be signed and attested on behalf of the City by such persons as at the actual date of the execution of such Bond shall be the proper officers of the City although at the nominal date of such Bond any such person shall not have been such officer of the City.

Only such Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, executed and dated by the Fiscal Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of authentication of the Fiscal Agent shall be conclusive evidence that the Bonds registered hereunder have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Agreement.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.08 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form acceptable to the Fiscal Agent. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer shall be paid by the City. The Fiscal Agent shall collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Fiscal Agent shall authenticate and deliver a new Bond or Bonds, for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity.

No transfers of Bonds shall be required to be made (i) within fifteen (15) days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Fiscal Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such exchange shall be paid by the City. The Fiscal Agent shall collect from the Owner requesting such exchange any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of Bonds shall be required to be made (i) within fifteen (15) days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

Section 2.08. Bond Register. The Fiscal Agent will keep or cause to be kept, at its Principal Office, sufficient books for the registration and transfer of the Bonds (the "Bond Register"), which books shall show the series number, date, amount, rate of interest and Owner of each Bond and shall at all times be open to inspection by the City during regular business hours upon reasonable notice; and, upon presentation for such purpose, the Fiscal Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the City, and may contain such reference to any of the provisions of this Agreement as may be appropriate. Every temporary Bond shall be executed by the City upon the same conditions and in substantially the same manner as the definitive Bonds. If the City issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange for the definitive Bonds at the Principal Office of the Fiscal Agent or at such other location as the Fiscal Agent shall designate, and the Fiscal Agent shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary bonds shall be entitled to the same benefits under this Agreement as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the City shall execute, and the Fiscal Agent shall authenticate and deliver, a new Bond of like tenor and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Fiscal Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Fiscal Agent shall be canceled by it and destroyed by the Fiscal Agent who shall deliver a certificate of destruction thereof to the City. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Fiscal Agent and, if such evidence be satisfactory to it and indemnity for the Fiscal Agent and the City satisfactory to the Fiscal Agent shall be given, the City shall execute, and the Fiscal Agent shall authenticate and deliver, a new Bond of like tenor and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The City may require payment of a sum not exceeding the actual cost of preparing each new Bond delivered under this Section and of the expenses which may be incurred by the City and the Fiscal Agent for the preparation, execution, authentication and delivery. Any Bond delivered under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the City whether or not the Bond so alleged to be lost, destroyed or stolen is at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Agreement with all other Bonds issued pursuant to this Agreement.

Section 2.11. Limited Obligation. All obligations of the City under this Agreement and the Bonds shall be special obligations of the City, payable solely from the Special Tax Revenues and the funds pledged therefore hereunder. Neither the full faith and credit nor the taxing power of the City (except to the limited extent set forth herein) or the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

Section 2.12. No Acceleration. The principal of the Bonds shall not be subject to acceleration hereunder. Nothing in this Section 2.12 shall in any way prohibit the redemption of Bonds under Section 2.03 hereof, or the defeasance of the Bonds and discharge of this Agreement under Section 9.03 hereof.

ARTICLE III

ISSUANCE OF BONDS

Section 3.01. Issuance and Delivery of Bonds. At any time after the execution of this Agreement, the City may issue the Bonds in the aggregate principal amount set forth in Section 2.01 or as authorized in any supplemental agreement and deliver such Bonds to the Original Purchaser. The Authorized Officers of the City are hereby authorized and directed to deliver any and all documents and instruments necessary to cause the issuance of Bonds in accordance with the provisions of the Act, the Resolution and this Agreement, to authorize the payment of costs of issuance of the Bonds and Authority Bonds from the proceeds of the Bonds and to do and cause to be done any and all acts and things necessary or convenient for delivery of the Bonds to the Original Purchaser.

Section 3.02. Application of Proceeds of Sale of Bonds.

The proceeds of the purchase of the Bonds by the Original Purchaser in the amount of \$_____, calculated as the principal amount thereof (\$_____.00) plus net original issue premium of \$_____ and less cost of the Underwriter's discount, costs of issuance, and Reserve Requirement for the Authority Bonds totaling \$_____, shall be paid to the Fiscal Agent, who shall forthwith deposit all of such proceeds on the Closing Date into the Improvement Fund.

Section 3.03. Special Tax Fund.

(A) Establishment of Special Tax Fund. There is hereby established as a separate fund to be held by the Finance Director, known as City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds, Series 2026, Special Tax Fund. Within the Special Tax Fund, the Finance Director shall establish and maintain two accounts, (i) the Debt Service Account, to the credit of which the City shall deposit, immediately upon receipt, all Special Tax Revenues received by the City, and any other amounts required to be deposited in the Special Tax Fund, and (ii) the Surplus Account, to the credit of which the City shall deposit surplus Special Tax Revenues described in Section 3.03(B) below. Moneys in the Special Tax Fund shall be held in trust by the City for the benefit of the City and the Owners of the Bonds, shall be disbursed as provided below and, pending any disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

(B) Disbursements. All Special Tax Revenues shall be deposited in the Debt Service Account upon receipt. No later than 10 Business Days prior to each Interest Payment Date, the City shall withdraw from the Debt Service Account and transfer (i) to the Authority Trustee for deposit into the Authority Reserve Fund, an amount such that the amount then on deposit therein is equal to the Reserve Requirement, or to reimburse the provider of a Qualified Reserve Fund Credit Instrument for draws on the credit instrument, and (ii) to the Fiscal Agent for deposit in the Bond Fund an amount, taking into account any amounts then on deposit in the Bond Fund such that the amount in the Bond Fund equals the principal, premium, if any, and interest due on the Bonds on the next Interest Payment Date, provided, however, that as soon as practicable after the receipt by the City of any prepayments of Special Taxes, but no later than 30 Business Days after such receipt, the City shall transfer such prepayments to the Fiscal Agent for deposit into the Prepayment Account of the Bond Fund to be used for the redemption of bonds as instructed by the City. After the transfers under subsections (i) and (ii) have been made, the

City may, on or after September 2 of each year, transfer to the Surplus Account the amount remaining in the Debt Service Account.

From time to time, the City may withdraw from the Surplus Account of the Special Tax Fund, to be used for any lawful purpose related to the District.

(C) Investment. Moneys in the Special Tax Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from such investment and deposit shall be retained in the Special Tax Fund to be used for the purposes thereof.

Section 3.04. Improvement Fund.

(A) Establishment of Improvement Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, known as City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds Improvement Fund to the credit of which a deposit shall be made as required by Section 3.02 and as required by Section 3.03. Moneys in the Improvement Fund shall be held in trust by the Fiscal Agent and shall be disbursed as provided in subsection (B) of this Section.

(B) Procedure for Disbursement. Disbursements from the Improvement Fund shall be made as determined by an Authorized Officer for the payment or reimbursement of the costs of the Project, including for costs of acquisition of portions of the Project in accordance with the Acquisition Agreement, authorized administrative expenses of the City, debt service on the Bonds in the event of default in the payment of Special Taxes by the Developer (as defined in the Acquisition Agreement), and/or otherwise as authorized by the City, by submission of an Officer's Certificate to the Fiscal Agent requesting disbursement of moneys. The Fiscal Agent need not make any such payment if it has received notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys to be so paid, that has not been released or will not be released simultaneously with such payment. The Fiscal Agent shall not incur any liability for any disbursement from the Improvement Fund made in reliance upon any Officer's Certificate.

(C) Investment. Moneys in the Improvement Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits from the investment of amounts in the Improvement Fund shall be retained in the Improvement Fund to be used for the purposes of the Improvement Fund.

(D) Closing of Fund. Upon the filing of an Officer's Certificate stating that the portion of the Project to be financed from the Improvement Fund has been completed and that all costs of such portion of the Project have been paid or are not required to be paid from the Improvement Fund, the Authorized Officer shall request the Fiscal Agent to transfer the amount, if any, remaining in the Improvement Fund to the Bond Fund for application to the payment of principal of and interest on the Bonds in accordance with Section 4.02 and the Improvement Fund shall be closed.

ARTICLE IV

SPECIAL TAX REVENUES; BOND FUND

Section 4.01. Pledge of Special Tax Revenues and Other Amounts. All of the Special Tax Revenues and, until disbursed as provided herein, all moneys deposited in the Special Tax Fund and in the Bond Fund are hereby pledged to secure the repayment of the Bonds. Such pledge shall constitute a first lien on the Special Tax Revenues and said amounts.

The Special Tax Revenues and all moneys deposited into such funds (except as otherwise provided herein) are hereby dedicated in their entirety to the payment of the principal of, and interest and any premium on, the Bonds as provided herein and in the Act until all of the Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose in accordance with Section 9.03.

Amounts in the Surplus Account and the Improvement Fund are not pledged to the repayment of the Bonds. The facilities acquired with the proceeds of the Bonds are not in any way pledged to the repayment of the Bonds. Any proceeds of condemnation, destruction or other disposition of any facilities financed with the proceeds of the Bonds are not pledged to the repayment of the Bonds and are free and clear of any lien or obligation imposed hereunder.

Section 4.02. Bond Fund.

(A) Establishment of Bond Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, known as City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds Bond Fund, to the credit of which deposits shall be made as required by Section 3.03(B)(ii), Section 4.03 and any other amounts required to be deposited therein by this Agreement or the Act. Within the Bond Fund, the Fiscal Agent shall establish a Prepayment Account and deposit therein moneys received, if any, from prepayments of the Special Tax pursuant to Section 2.03(A)(ii). Moneys in the Bond Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds, shall be disbursed for the payment of the principal of, and interest and any premium on, the Bonds as provided below, and, pending such disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

(B) Disbursements. On each Interest Payment Date, the Fiscal Agent shall withdraw from the Bond Fund and pay to the Owners of the Bonds the principal of, and interest and any premium, then due and payable on the Bonds, including any amounts due on the Bonds by reason of any redemption of the Bonds as provided under Section 2.03(A)(i) or 2.03(A)(ii). Moneys in the Prepayment Account shall be disbursed for redemption of Bonds as instructed by the City.

In the event that amounts in the Bond Fund are insufficient to pay regularly scheduled payments of principal of and interest on the Bonds, the Fiscal Agent shall notify the Authority that a withdrawal from the Authority Reserve Fund may be necessary, the amount of such insufficiency, and the Fiscal Agent shall provide written notice to the Finance Director and the Special Tax Administrator of the insufficiency.

If, after the foregoing transfer, there are insufficient funds in the Bond Fund to make the payments provided for to pay regularly scheduled payments of principal of and interest on the Bonds, the Fiscal Agent shall apply the available funds first to the payment of interest on the Bonds, then to the payment of principal due on the Bonds.

(C) Investment. Moneys in the Bond Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from such investment and deposit shall be retained in the Bond Fund to be used for the purposes of such fund.

(D) Deficiency. If ten days before any Interest Payment Date it appears to the Fiscal Agent that there is a danger of deficiency in the Bond Fund and that the Fiscal Agent may be unable to pay regularly scheduled debt service on the Bonds in a timely manner, the Fiscal Agent shall report to the Finance Director such fact. The City covenants to increase the levy of the Special Taxes in the next Fiscal Year (subject to the maximum amount authorized for the District) in accordance with the procedures set forth in the Act for the purpose of curing Bond Fund deficiencies.

If on any Interest Payment Date the Fiscal Agent is unable to pay principal, interest and premium, if any, due on any Interest Payment Date for the Bonds due to insufficient funds in the Bond Fund, or if funds are needed to fully fund the Reserve Requirement, the Fiscal Agent shall notify the Finance Director in writing of such fact, and the Finance Director shall notify CDIAC of such fact within 10 days of such Interest Payment Date. The Fiscal Agent has no obligation under this Agreement to provide notice or disclosure to the Bondowners of insufficient funds or anticipation of deficiency in the Bond Fund.

ARTICLE V

OTHER COVENANTS OF THE CITY

Section 5.01. Punctual Payment. The City will punctually pay or cause to be paid the principal of, and interest and any premium on, the Bonds when and as due in strict conformity with the terms of this Agreement, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Agreement and all Supplemental Agreements and of the Bonds.

Section 5.02. Limited Obligation. The Bonds are limited obligations of the City on behalf of the District of the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in certain funds and accounts as described herein.

Section 5.03. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the City shall not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and shall not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the City, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Against Encumbrances. The City will not encumber, pledge or place any charge or lien upon any of the Special Tax Revenues or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, except as permitted by this Agreement.

Section 5.05. Books and Accounts. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the expenditure of amounts disbursed from the Special Tax Fund and to the Special Tax Revenues. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

The Fiscal Agent will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries shall be made of all transactions of the Fiscal Agent relating to the expenditure of amounts disbursed from funds and accounts held by the Fiscal Agent hereunder. Such books of record and accounts shall at all times during business hours and upon reasonable prior notice, be subject to the inspection of the City and the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Section 5.06. Protection of Security and Rights of Owners. The City will preserve and protect the security of the Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

Section 5.07. Compliance with Law; Completion of Project. The City will comply with all applicable provisions of the Act and the law in completing the acquisition and construction of the Project; provided that the City shall have no obligation to advance any funds to complete the Project in excess of the amounts available therefor in the Improvement Fund.

Section 5.08. Private Activity Bond Limitation. The City shall assure that the proceeds of the Bonds are not so used as to cause the Authority Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

Section 5.09. Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Authority Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 5.10. Collection of Special Tax Revenues. The City shall comply with all requirements of the Act so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of delinquent Special Taxes.

On or within five Business Days of each June 1, the Fiscal Agent shall provide the Finance Director with a notice stating the amount then on deposit in the Bond Fund and any insufficiency of the amount of the Reserve Requirement. The receipt of such notice by the Finance Director shall in no way affect the obligations of the Finance Director under the following two paragraphs. Upon receipt of such notice, the Finance Director shall ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current year.

The City shall effect the levy of the Special Taxes each Fiscal Year in accordance with the Ordinance such that the computation of the levy is complete before the final date on which the County Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the next secured real property tax roll. Upon the completion of the computation of the amounts of the levy, the City shall prepare or cause to be prepared, and shall transmit to the Finance Director, such data as the County Auditor requires to include the levy of the Special Taxes on the next secured real property tax roll.

The City shall fix and levy the amount of Special Taxes within the District required for the payment of principal of and interest on any Outstanding Bonds becoming due and payable during the ensuing year, including any necessary replenishment or expenditure of the Reserve Requirement and an amount estimated to be sufficient to pay the Administrative Expenses during such year, all in accordance with the Rate and Method and the Ordinance.

The Special Taxes shall be payable and be collected in the same manner and at the same time and in the same installment as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property. Notwithstanding the foregoing, the Special Taxes may be collected in such other manner as the City shall prescribe if necessary to pay the debt service on the Bonds.

Section 5.11. Further Assurances. The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Agreement, and for the better assuring and confirming unto the Owners of the rights and benefits provided in this Agreement.

Section 5.12. No Arbitrage. The City shall not take, or permit or suffer to be taken by the Fiscal Agent or otherwise, any action with respect to the gross proceeds of the Bonds which if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Authority Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code and Regulations.

Section 5.13. Maintenance of Tax-Exemption. The City shall take all actions necessary to assure the exclusion of interest on the Authority Bonds from the gross income of the Owners of the Authority Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Authority Bonds.

Section 5.14. Annual State Reports. The following requirements shall apply to the Bonds:

(A) Annual Reporting. Not later than October 30 of each calendar year, beginning with the October 30 first succeeding the date of the Bonds, and in each calendar year thereafter until the October 30 following the final maturity of the Bonds, the Finance Director shall prepare and supply the California Debt and Investment Advisory Commission, by mail, postage prepaid, with the information required under Section 53359.5(c) of the Act. The annual reporting shall be made using such form or forms as may be prescribed by CDIAC.

(B) Other Reporting. If within 10 days prior to any Interest Payment Date it appears to the Fiscal Agent that there is a danger of deficiency in the Bond Fund and that the Fiscal Agent may be unable to pay regularly scheduled debt service on the Bonds in a timely manner or if the Fiscal Agent is unable to pay principal, interest and premium, if any, due on any Interest Payment Date for the Bonds due to insufficient funds in the Bond Fund, the Finance Director shall make the reports required under Section 4.02(D) hereof.

(C) Amendment. The reporting requirements of this Section 5.14 shall be amended from time to time, without action by the City or the Fiscal Agent, to reflect any amendments to Section 53359.5(b) or Section 53359.5(c) of the Act.

(D) No Liability. None of the City and its officers, agents and employees, the Finance Director or the Fiscal Agent shall be liable for any inadvertent error in reporting the information required by this Section 5.14.

Section 5.15. Covenant to Foreclose. The City hereby covenants with and for the benefit of the Owners of the Bonds that it will annually on or before September 1 of each year review the public records of the County related to the collection of the Special Tax in order to determine the amount of the Special Tax collected in the prior Fiscal Year, and if the City determines on the basis of such review that:

(a) the amount so collected is deficient by more than 5% of the total amount of the Special Tax for the District levied in such Fiscal Year, then the City will institute, prosecute and pursue such foreclosure proceedings against each parcel in the District for which any installment of the Special Tax is delinquent in the time and manner provided below; or

(b) the amount so collected is deficient by less than 5% of the total amount of the Special Tax for the District levied in such Fiscal Year, but property owned by any single

property owner is delinquent cumulatively by an amount equal to three installment payments with respect to the current and past Special Tax due, then the City will institute, prosecute and pursue such foreclosure proceedings against each such property owner in the time and manner provided below.

The Finance Director of the City shall within 60 days thereafter send or cause to be sent a written demand letter to the delinquent parcel(s) and lender of record, if any, as the first step in instituting foreclosure proceedings as authorized by the Mello-Roos Act in order to enforce the lien of the delinquent installment of the Special Tax on each such parcel, and shall thereafter diligently prosecute and pursue such foreclosure proceedings to judgment and sale in such manner and upon such timing as advised by legal counsel, taking into account the amounts delinquent, the estimate cost of legal proceedings, the status of Special Tax collections and available debt service reserves; provided, that the City shall not be obligated to commence proceedings against any delinquent parcels in any Fiscal Year in which the City has received or expects to receive one hundred percent (100%) of the amount of such installment from a so-called "Teeter Plan."

Notwithstanding the foregoing, in certain instances the amount of a Special Tax delinquency on a particular parcel in relation to the cost of appropriate foreclosure proceedings may be such that the costs do not warrant the foreclosure proceedings costs. In such cases, foreclosure proceedings may be delayed by the City until there are sufficient Special Tax delinquencies accruing to such parcel (including interest and penalties thereon) to warrant the cost of such foreclosure proceedings.

Section 5.16. Continuing Disclosure to Owners. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate for the Authority Bonds. Notwithstanding any other provision of this Agreement, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered a default hereunder; however, any Participating Underwriter or any holder or beneficial owner of the Authority Bonds may take such actions as may be necessary and appropriate to compel performance by the City of its obligations thereunder, including seeking mandate or specific performance by court order.

Section 5.17. No Additional Bonds. The City covenants not to issue Additional Bonds payable from Special Taxes and by the Special Tax Revenues equally and ratably with the Bonds previously issued, except that the City may issue bonds to refund all or part of the Bonds. The City may also issue bonds secured by Special Taxes on a subordinate basis to the pledge of Special Taxes for payment of the Bonds.

Section 5.18. Yield of the Bonds. In determining the yield of the Bonds to comply with Section 5.13 hereof, the City will take into account optional and mandatory prepayment redemption (including premium, if any) in advance of maturity based on the reasonable expectations of the City, as of the Closing, without regard to whether or not redemption moneys are received or Bonds are redeemed.

ARTICLE VI

INVESTMENTS; DISPOSITION OF INVESTMENT PROCEEDS; LIABILITY OF THE CITY

Section 6.01. Deposit and Investment of Moneys in Funds. Subject in all respects to the provisions of Section 6.02, moneys in any fund or account created or established by this Agreement and held by the Fiscal Agent, shall be invested by the Fiscal Agent in Permitted Investments, as directed pursuant to an Officer's Certificate filed with the Fiscal Agent at least two (2) Business Days in advance of the making of such investments. In the absence of any such Officer's Certificate, the Fiscal Agent shall invest any such moneys in Permitted Investments described in clause (vii) of the definition thereof which by their terms mature prior to the date on which such moneys are required to be paid out hereunder. Subject in all respects to the provisions of Section 6.02, moneys in any fund or account created or established by this Agreement and held by the Finance Director shall be invested by the Finance Director in any lawful investments that the City may make, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account, subject, however, to the requirements of this Agreement for transfer of interest earnings and profits resulting from investment of amounts in funds and accounts.

The Fiscal Agent or Finance Director may act as principal or agent in the acquisition or disposition of any investment. Neither the Fiscal Agent nor the Finance Director shall incur any liability for losses arising from any investments made pursuant to this Section. Any losses arising from any investments made pursuant to this Section shall be offset against interest earnings and profits retained in the same fund.

Except as otherwise provided in the next sentence, all investments of amounts deposited in any fund or account created by or pursuant to this Agreement, or otherwise containing gross proceeds of the Bonds (within the meaning of Section 148 of the Code), shall be acquired, disposed of, and valued (as of the date that valuation is required by this Agreement or the Code) at Fair Market Value. For purposes of any Fair Market Value determination hereunder, the Fiscal Agent shall be entitled to conclusively rely on an Officer's Certificate of the City and shall be fully protected in relying thereon. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code (unless valuation is undertaken at least annually) shall be valued at their present value (within the meaning of Section 148 of the Code).

Investments in any and all funds and accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Fiscal Agent or the Finance Director hereunder, provided that the Fiscal Agent or the Finance Director, as applicable, shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Agreement.

The Fiscal Agent or the Finance Director, as applicable, shall sell or present for redemption, any investment security whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited and neither the Fiscal Agent nor the Finance Director shall

be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance herewith.

The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent will furnish the City periodic cash transaction statements which include detail for all investment transactions made by the Fiscal Agent hereunder.

Section 6.02. Rebate of Excess Investment Earnings to the United States. The City covenants to calculate and rebate to the federal government, if and to the extent required in connection with the Authority Bonds, in accordance with the Regulations, excess investment earnings to the extent required by Section 148(f) of the Code.

In order to provide for the administration of this Section 6.02, the City may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the City may deem appropriate.

Section 6.03. Limited Obligation. The City's obligations hereunder are limited obligations of the City on behalf of the District of the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in the Special Tax Fund and the Bond Fund created hereunder.

ARTICLE VII

THE FISCAL AGENT

Section 7.01. Appointment of Fiscal Agent. The Bank of New York Mellon Trust Company, N.A., at its Principal Office, is hereby appointed Fiscal Agent for the Bonds. The Fiscal Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Fiscal Agent.

Any company into which the Fiscal Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Fiscal Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under the following paragraph of this Section, shall be the successor to such Fiscal Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

The City may remove the Fiscal Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least \$50,000,000, including, for such purpose, the combined capital and surplus of any parent holding company, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 7.01, combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Fiscal Agent may at any time resign by giving written notice to the City and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, the City shall promptly appoint a successor Fiscal Agent by an instrument in writing. Any resignation or removal of the Fiscal Agent shall become effective upon acceptance of appointment by the successor Fiscal Agent.

If no appointment of a successor Fiscal Agent shall be made pursuant to the foregoing provisions of this Section within 30 days after the Fiscal Agent shall have given to the City written notice or after a vacancy in the office of the Fiscal Agent shall have occurred by reason of its inability to act, the Fiscal Agent or any Bondowner may apply to any court of competent jurisdiction to appoint a successor Fiscal Agent. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Fiscal Agent.

Section 7.02. Liability of Fiscal Agent. The recitals of facts, covenants and agreements herein and in the Bonds contained shall be taken as statements, covenants and agreements of the City, and the Fiscal Agent assumes no responsibility for the correctness of the same, or makes any representations as to the validity or sufficiency of this Agreement or of the Bonds, or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Fiscal Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default. The Fiscal Agent assumes no responsibility or liability for any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with

respect to the issuance of the Bonds. The Fiscal Agent has no liability regarding the use of the proceeds from the purchase of the Bonds deposited in funds held by the City.

In the absence of bad faith, the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of this Agreement, including all Officer's Certificates of the City meeting such requirements; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to the Fiscal Agent, the Fiscal Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement. Except as provided above in this paragraph, the Fiscal Agent shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Agreement, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of this Agreement, and the Fiscal Agent shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

The Fiscal Agent shall not be liable for any error of judgment made in good faith by a responsible officer unless it shall be proved that the Fiscal Agent was negligent in ascertaining the pertinent facts.

No provision of this Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Fiscal Agent shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement at the request or direction of any of the Owners pursuant to this Agreement unless such Owners shall have offered to the Fiscal Agent reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

The Fiscal Agent may become the owner of the Bonds with the same rights it would have if it were not the Fiscal Agent.

Section 7.03. Information. The Fiscal Agent shall provide to the City such information relating to the Bonds and the funds and accounts maintained by the Fiscal Agent hereunder as the City shall reasonably request, including but not limited to quarterly statements reporting funds held and transactions by the Fiscal Agent.

Section 7.04. Notice to Fiscal Agent. The Fiscal Agent may rely and shall be protected in acting or refraining from acting upon any Officer's Certificate, notice, resolution, request, consent, order, certificate, report, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties and given in accordance with the requirements hereof. The Fiscal Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Fiscal Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder. The Fiscal Agent may consult with

counsel, who may be counsel to the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

The Fiscal Agent shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto satisfactorily established, if disputed.

Whenever in the administration of its duties under this Agreement the Fiscal Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the Fiscal Agent, be deemed to be conclusively proved and established by a certificate of the City, and such certificate shall be full warrant to the Fiscal Agent for any action taken or suffered under the provisions of this Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the Fiscal Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 7.05. Compensation, Indemnification. The City shall pay to the Fiscal Agent, but only from Special Tax Revenues, from time to time reasonable compensation for all services rendered as Fiscal Agent under this Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Agreement, but the Fiscal Agent shall not have a lien therefor on any funds at any time held by it under this Agreement. The City further agrees, to the extent permitted by applicable law, and only from Special Tax Revenues as the source of funds, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents harmless against any costs, claims, expenses or liabilities, including, without limitation, fees and expenses of its attorneys which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or willful misconduct. The obligation of the City under this Section shall survive resignation or removal of the Fiscal Agent under this Agreement and payment of the Bonds and discharge of this Agreement.

ARTICLE VIII

MODIFICATION OR AMENDMENT OF THIS AGREEMENT

Section 8.01. Amendments Permitted. This Agreement and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement pursuant to the affirmative vote at a meeting of Owners, or with the written consent without a meeting, of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 8.04. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by the City of any pledge or lien upon the Special Taxes superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by the Act, the laws of the State of California or this Agreement), or reduce the percentage of Bonds required for the amendment hereof. No such amendment may modify any of the rights or obligations of the Fiscal Agent without its written consent.

This Agreement and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(A) to add to the covenants and agreements of the City in this Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(B) to make modifications not adversely affecting any outstanding series of Bonds of the City in any material respect;

(C) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Agreement, or in regard to questions arising under this Agreement, as the City and the Fiscal Agent may deem necessary or desirable, and which shall not adversely affect the rights of the Owners of the Bonds; or

(D) to make such additions, deletions or modifications as may be necessary or desirable to assure compliance with Section 148 of the Code relating to required rebate of excess investment earnings to the United States or otherwise as may be necessary to assure exclusion from gross income for federal income tax purposes of interest on the Bonds or to conform with the Regulations;

(E) to facilitate the issuance of Additional Bonds, to the extent permitted by Section 5.17.

Section 8.02. Owners' Meetings. The City may at any time call a meeting of the Owners. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof and to fix and adopt rules and regulations for the conduct of said meeting.

Section 8.03. Procedure for Amendment with Written Consent of Owners. The City and the Fiscal Agent may at any time enter into a Supplemental Agreement amending the provisions of the Bonds or of this Agreement or any Supplemental Agreement, to the extent that such amendment is permitted by Section 8.01, to take effect when and as provided in this Section. A copy of such Supplemental Agreement, together with a request to Owners for their consent thereto, if such consent is required under Section 8.01, shall be mailed by first class mail, by the Fiscal Agent to each Owner of Bonds Outstanding, but failure to mail copies of such Supplemental Agreement and request shall not affect the validity of the Supplemental Agreement when assented to as in this Section provided.

If consent of the Owners is required under Section 8.01, such Supplemental Agreement shall not become effective unless there shall be filed with the Fiscal Agent the written consents of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in Section 8.04) and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 9.04. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Fiscal Agent prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Agreement, stating in substance that the Supplemental Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Agreement or consents thereto). Proof of the mailing of such notice shall be filed with the Fiscal Agent. A record, consisting of the papers required by this Section 8.03 to be filed with the Fiscal Agent, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Agreement shall become effective upon the filing with the Fiscal Agent of the proof of mailing of such notice, and the Supplemental Agreement shall be deemed conclusively binding (except as otherwise herein above specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of 60 days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 60-day period.

Section 8.04. Disqualified Bonds. Bonds owned or held for the account of the City, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in this Article VIII, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Article VIII. Upon request, the City shall provide an Officer's Certificate to the Fiscal Agent listing those Bonds which are disqualified pursuant to this Section 8.04.

Section 8.05. Effect of Supplemental Agreement. From and after the time any Supplemental Agreement becomes effective pursuant to this Article VIII, this Agreement shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations under this Agreement of the City and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental

Agreement shall be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

Section 8.06. Endorsement or Replacement of Bonds Issued After Amendments. The City may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article VIII shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the Principal Office of the Fiscal Agent or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the Principal Office of the Fiscal Agent without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 8.07. Amendatory Endorsement of Bonds. The provisions of this Article VIII shall not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

Section 8.08. Opinion of Counsel Regarding Supplemental Agreement. The Fiscal Agent shall be furnished an opinion of counsel that any Supplemental Agreement entered into by the City and the Fiscal Agent complies with the provisions of this Article VIII, and the Fiscal Agent may conclusively rely upon such opinion.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Agreement Limited to Parties. Nothing in this Agreement expressed or implied, is intended to give to any person other than the City, the Fiscal Agent and the Owners, any right, remedy, claim under or by reason of this Agreement. Any covenants, stipulations, promises or agreements in this Agreement contained by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Fiscal Agent.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Agreement or any Supplemental Agreement either the City or the Fiscal Agent is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the City or the Fiscal Agent shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Agreement. If the City shall pay and discharge the entire indebtedness on all or any portion of the Bonds Outstanding in any one or more of the following ways:

(A) by well and truly paying or causing to be paid the principal of, and interest and any premium on, such Bonds Outstanding, as and when the same become due and payable;

(B) by depositing with the Fiscal Agent or other fiduciary, at or before maturity, money which, together with (in the event that all of the Bonds are to be defeased) the amounts then on deposit in the funds and accounts provided for in Sections 4.02 and 4.03, is fully sufficient to pay such Bonds Outstanding, including all principal, interest and redemption premiums; or

(C) by irrevocably depositing with the Fiscal Agent or other fiduciary, cash and Federal Securities in such amount as the City shall determine as confirmed by an independent certified public accountant will, together with the interest to accrue thereon and (in the event that all of the Bonds are to be defeased) moneys then on deposit in the fund and accounts provided for in Sections 4.02 and 4.03, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates;

and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been given as in this Agreement provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, then, at the election of the City, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Special Taxes and other funds provided for in this Agreement and all other obligations of the City under this Agreement with respect to such Bonds Outstanding shall cease and terminate, except only the obligations of the City under Section 5.13 and to pay or cause to be paid to the Owners of the Bonds not so surrendered and paid all sums due thereon and all amounts owing to the Fiscal Agent pursuant to Section 7.05; and thereafter Special Taxes shall not be payable to the Fiscal Agent. Notice of such election shall be filed with the Fiscal Agent.

Any funds thereafter held by the Fiscal Agent upon payments of all fees and expenses of the Fiscal Agent, which are not required for said purpose, shall be paid over to the City.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which this Agreement may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, consent, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same shall be proved by the registry books.

Any request, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Fiscal Agent in good faith and in accordance therewith.

Section 9.05. Waiver of Personal Liability. No member, officer, agent or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.06. Notices to and Demands on City and Fiscal Agent. Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the Fiscal Agent to or on the City may be given or served by being deposited postage prepaid in a post office letter box, by overnight courier or by facsimile (with receipt confirmed by telephone) addressed (until another address is filed by the City with the Fiscal Agent) as follows:

City of Pittsburg
Attention: Finance Director
65 Civic Avenue
Pittsburg, California 94565

Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the City to or on the Fiscal Agent may be given or served by being deposited postage prepaid in a post office letter box, by overnight courier or by facsimile (with receipt confirmed by telephone) addressed (until another address is filed by the Fiscal Agent with the City) as follows:

The Bank of New York Mellon Trust Company, N.A.
Attention: Corporate Trust
333 S. Hope Street, Suite 2525
Los Angeles, CA 90071

Section 9.07. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Agreement shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Agreement. The City hereby declares that it would have adopted this Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Agreement may be held illegal, invalid or unenforceable.

Section 9.08. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Fiscal Agent in trust for the payment and discharge of the principal of, and the interest and any premium on, the Bonds which remains unclaimed for two (2) years after the date when the payments of such principal, interest and premium have become payable, if such moneys was held by the Fiscal Agent at such date, shall be repaid by the Fiscal Agent to the City as its absolute property free from any trust, and the Fiscal Agent shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the City for the payment of the principal of, and interest and any premium on, such Bonds.

Section 9.09. Applicable Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 9.10. Conflict with Act. In the event of a conflict between any provision of this Agreement with any provision of the Act as in effect on the Closing Date, the provision of the Act shall prevail over the conflicting provision of this Agreement.

Section 9.11. Conclusive Evidence of Regularity. Bonds issued pursuant to this Agreement shall constitute conclusive evidence of the regularity of all proceedings under the Act relative to their issuance and the levy of the Special Taxes.

Section 9.12. Payment on Business Day. In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this Agreement is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 9.13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original. The exchange of copies of this Agreement and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Agreement as to the parties hereto and may be used in lieu of the original Agreement and signature pages for all purposes.

Section 9.14. U.S.A. Patriot Act. The City and the District acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Fiscal Agent, like all financial

institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Fiscal Agent. The City and the District agree that they will provide the Fiscal Agent with such information as it may request in order for the Fiscal Agent to satisfy the requirements of the U.S.A. Patriot Act.

[Signature Page Follows]

IN WITNESS WHEREOF, the City has caused this Agreement to be executed in its name and the Fiscal Agent has caused this Agreement to be executed in its name, all as of September 1, 2026.

CITY OF PITTSBURG, for itself and on behalf of
its COMMUNITY FACILITIES DISTRICT 2009-
01 (SAN MARCO)

By: _____
Finance Director

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.**, as *Fiscal Agent*

By: _____
Authorized Officer

EXHIBIT A
FORM OF BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. _____

\$_____

CITY OF PITTSBURG
COMMUNITY FACILITIES DISTRICT 2009-01
(SAN MARCO)
SPECIAL TAX BONDS SERIES 2026

INTEREST RATE:
_____%

MATURITY DATE:
September 1, 20__

BOND DATE:
September __, 2026

CUSIP:
N/A

REGISTERED OWNER: THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as
assignee of the City of Pittsburg Public Financing Authority

PRINCIPAL AMOUNT: *** _____ DOLLARS***

The City of Pittsburg (the "City") for and on behalf of its City of Pittsburg Community Facilities District 2009-01 (San Marco) (the "District") for the District of the District, for value received, hereby promises to pay solely from the Special Tax (as hereinafter defined) or amounts in certain funds and accounts held under the Agreement (as hereinafter defined), to the Registered Owner named above, or registered assigns (the "Owner"), on the Maturity Date set forth above, unless redeemed prior thereto as hereinafter provided, the Principal Amount set forth above, and to pay interest on such principal amount from the Bond Date shown above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, semiannually on March 1 and September 1, commencing March 1, 2027 (the "Interest Payment Dates"), at the Interest Rate set forth above, until the principal amount hereof is paid or made available for payment. The principal of this Bond is payable to the Owner hereof in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A. in Los Angeles, California (the "Fiscal Agent"). Interest on this Bond shall be paid by check of the Fiscal Agent mailed by first class mail on each Interest Payment Date to the Owner hereof as of the close of business on the 15th day of the month preceding the month in which the Interest Payment Date occurs (the "Record Date") at such Owner's address as it appears on the registration books maintained by the Fiscal Agent, or by wire transfer made on such Interest Payment Date upon written instructions delivered to the Fiscal Agent by the applicable Record Date of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds.

This Bond is one of a duly authorized issue of "City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds, Series 2026" (the "Bonds") issued in the aggregate principal amount of \$_____ pursuant to the Mello-Roos Community Facilities

Act of 1982, as amended, being Sections 53311, et seq., of the California Government Code (the "Act") for the purpose of financing certain public improvements and paying certain costs related to the issuance of the Bonds. The issuance of the Bonds and the terms and conditions thereof are provided for by a resolution adopted by the City Council of the City acting in its capacity as the legislative body of the District on [August 3], 2026 and a Fiscal Agent Agreement dated as of September 1, 2026 (the "Fiscal Agent Agreement"), and this reference incorporates the Fiscal Agent Agreement herein, and by acceptance the Registered Owner of this Bond assents to said terms and conditions. The Fiscal Agent Agreement is adopted under and this Bond is issued under, and both are to be construed in accordance with, the laws of the State of California.

Pursuant to the Mello-Roos Act, the Agreement and the Resolution, the principal of and interest on this Bond are payable solely from the "Special Tax Revenues," being the proceeds of the special taxes annually received by the City for the District of the District (the "Special Taxes"), excluding any interest and penalties thereon collected in connection with delinquent Special Taxes, less an amount equal to the Administrative Expense Priority, including all scheduled payments and delinquent payments thereof, and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes, and certain funds held under the Agreement.

Interest on this Bond shall be payable from the Interest Payment Date next preceding the date of authentication hereof, unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) such date of authentication is after a Record Date but on or prior to an Interest Payment Date, in which event interest will be payable from such Interest Payment Date, or (iii) such date of authentication is prior to the first Record Date, in which event interest will be payable from the Bond Date shown above; provided however, that if at the time of authentication of this Bond, interest is in default hereon, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment hereon.

Any tax for the payment hereof shall be limited to the Special Tax, except to the extent that provision for payment has been made by the City as may be permitted by law. The Bonds do not constitute obligations of the City for which the City is obligated to levy or pledge, or has levied or pledged, general or special taxation other than described herein above.

The Bonds are subject to optional redemption from any source of available funds (other than prepayments of the Special Tax by property owners), in whole or in part among maturities as specified by the City and by lot within a maturity, on any date on and after September 1, _____ at the following respective redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 1, _____ through August 31, _____	103%
September 1, _____ through August 31, _____	102
September 1, _____ through August 31, _____	101
September 1, _____ and any date thereafter	100

The Bonds are subject to mandatory redemption from prepayments of the Special Tax by property owners, in whole or in part among maturities as shall be specified by the City and by lot within a maturity, on any Interest Payment Date at the following respective redemption prices

(expressed as percentages of the principal amount of the Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 1, ____ through and including March 1, ____	103%
September 1, ____ and March 1, ____	102
September 1, ____ and March 1, ____	101
September 1, ____ and any Interest Payment Date thereafter	100

The Bonds maturing September 1, ____ and September 1, ____ are subject to mandatory sinking payment redemption in part on September 1, ____ and September 1, ____, respectively, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following tables:

Term Bonds Maturing September 1, ____

<u>Sinking Fund Redemption Date (September 1)</u>	<u>Sinking Fund Payment</u>

(maturity)

Term Bonds Maturing September 1, ____

<u>Sinking Fund Redemption Date (September 1)</u>	<u>Sinking Fund Payment</u>

(maturity)

The amounts in the foregoing tables shall be reduced pro rata at the direction of the City in an Officer's Certificate, in order to maintain substantially uniform debt service, as a result of any prior partial redemption of the Bonds.

Notice of redemption with respect to the Bonds to be redeemed shall be given to the Owners thereof, in the manner, to the extent and subject to the provisions of the Agreement.

This Bond shall be registered in the name of the Owner hereof, as to both principal and interest. Each registration and transfer of registration of this Bond shall be entered by the Fiscal Agent in books kept by it for this purpose and authenticated by its manual signature upon the certificate of authentication endorsed hereon.

No transfer or exchange hereof shall be valid for any purpose unless made by the registered owner, by execution of the form of assignment endorsed hereon, and authenticated as herein provided, and the principal hereof, interest hereon and any redemption premium shall be

payable only to the registered owner or to such Owner's order. The Fiscal Agent shall require the Owner requesting transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange. No transfer or exchange hereof shall be required to be made (i) within 15 days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

The Agreement and the rights and obligations of the City thereunder may be modified or amended as set forth therein. The principal of the Bonds is not subject to acceleration upon a default under the Agreement or any other document.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been dated and manually signed by the Fiscal Agent.

It is hereby certified, recited and declared that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond have existed, happened and been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the City, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

IN WITNESS WHEREOF, the City of Pittsburg has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk.

CITY OF PITTSBURG

By: _____
Mayor

Attested:

By: _____
City Clerk

FISCAL AGENT'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the Resolution and the Agreement.

Dated: _____, 2026

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Fiscal Agent**

By: _____
Authorized Officer

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer unto

(Name, address and Tax Identification Number of Assignee)

the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the registration books of the Fiscal Agent with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTE: Signature(s) must be guaranteed by an eligible guarantor institution with membership in an approved signature guarantee medallion program pursuant to Securities and Exchange Commission Rule 17A(d)15.

NOTE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances will this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor will there be any sale of these securities in any jurisdiction in which such offer solicitation or sale would be unlawful.

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST __, 2026

NEW ISSUE - FULL BOOK-ENTRY

RATINGS: S&P (Insured Bonds): “_____”
(Underlying): “_____”
See “RATINGS”

In the opinion of Jones Hall LLP, as Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes. See “TAX MATTERS.”

\$25,000,000

CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY
Special Tax Revenue Bonds
Series 2026

Dated: Date of Delivery

Due: September 1, as shown on inside cover

General. The Special Tax Revenue Bonds, Series 2026 (the “Bonds”) are being issued by the City of Pittsburg Public Financing Authority (the “Authority”) to assist the City of Pittsburg (the “City”) in the financing of certain improvements for its Community Facilities District 2009-01 (San Marco) (the “District”).

Purpose. The Bonds are being issued to purchase the City’s Community Facilities District 2009-01 (San Marco) Special Tax Bonds, Series 2026 (the “CFD Bonds”), which will be issued by the City concurrently with the Bonds. The City has not previously issued special tax bonds for the District and the City has covenanted not to issue additional special tax bonds for the District, except for refunding purposes. The CFD Bonds are being issued to provide money to finance authorized infrastructure improvements for the District, fund a debt service reserve fund, and pay costs of issuance.

Security for the Bonds and CFD Bonds. The Bonds are payable solely from “Revenues” pledged by the Authority under an Indenture of Trust, dated as of September 1, 2026 (the “Indenture”), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), which consist primarily of debt service payments received by the Authority from the City on the CFD Bonds, which payments are secured by a lien for special taxes (net of certain administrative expenses) (the “Special Taxes”) authorized under the Mello-Roos Community Facilities Act of 1982, as amended, being California Government Code Section 53311, et seq. (the “Act”), as more fully described herein. Installments of principal and interest sufficient to meet annual CFD Bonds debt service are included on the regular county tax bills sent to owners of property against which there are unpaid Special Taxes. Scheduled annual payments on the CFD Bonds exceed an amount sufficient to pay annual principal and interest on the Bonds when due. The Authority has covenanted not to issue any additional special tax revenue bonds on parity with the Bonds, except for refunding purposes. See “SECURITY FOR THE BONDS.” **Unpaid Special Taxes do not constitute a personal indebtedness of the owners of the parcels within the District. In the event of delinquency, proceedings may be conducted only against the parcel of real property securing the delinquent Special Tax. There is no assurance the owners will be able to pay the Special Tax or that they will pay such Special Tax even though financially able to do so.**

The District. Property in the District subject to the Special Tax securing the CFD Bonds consists of 826 single family homes and 4 undeveloped parcels in the City’s San Marco Specific Plan (“SMSP”) area. See “THE DISTRICT.”

Bond Terms. The Bonds will be issued in denominations of \$5,000 or any integral multiple of \$5,000. Interest is payable semiannually on each March 1 and September 1, commencing March 1, 2027. The Bonds will be initially issued only in book-entry form and registered to Cede & Co. as nominee of The Depository Trust Company (“DTC”), which will act as securities depository of the Bonds. Principal and interest (and premium, if any) on the Bonds is payable by the Trustee to DTC, which remits such payments to its Participants for subsequent distribution to the registered owners as shown on the Trustee’s books. See “THE BONDS – Bond Terms” and “– Book-Entry Only System.”

Redemption. The Bonds are subject to redemption prior to maturity as described herein. See “THE BONDS – Redemption.”

Bond Insurance; Reserve Fund Surety. The scheduled payment of principal of and interest on the Bonds maturing on ____ of the years ____ through ____, inclusive (the “Insured Bonds”), when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Insured Bonds by ____ (“____” or the “Bond Insurer”). The Bond Insurer will also provide a reserve fund insurance policy to satisfy the reserve requirement for the Bonds. See “BOND INSURANCE” and “APPENDIX G – SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”

[Insurer Logo]

Risk Factors. The Bonds may not be appropriate investments for certain individuals. See “RISK FACTORS” for a discussion of the risk factors that should be considered in evaluating the investment quality of the Bonds.

THE BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM AND SECURED SOLELY BY THE REVENUES AND FUNDS PLEDGED THEREFOR IN THE INDENTURE. THE BONDS ARE NOT A DEBT OR LIABILITY OF THE CITY, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISIONS THEREOF OTHER THAN THE AUTHORITY TO THE LIMITED EXTENT DESCRIBED HEREIN, AND NEITHER THE FAITH AND CREDIT OF THE AUTHORITY, THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS ARE PLEDGED TO THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS AND NEITHER THE AUTHORITY (EXCEPT TO THE LIMITED EXTENT DESCRIBED HEREIN), THE CITY, THE STATE NOR ANY OF ITS POLITICAL SUBDIVISIONS IS LIABLE THEREFOR, NOR IN ANY EVENT SHALL THE BONDS OR ANY INTEREST THEREON BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THOSE OF THE AUTHORITY AS SET FORTH IN THE INDENTURE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE AUTHORITY, THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. THE AUTHORITY HAS NO TAXING POWER.

Maturity Schedule
(see inside cover)

The Bonds are offered when, as and if issued and received by the Underwriter and subject to the approval as to their legality by Jones Hall LLP, San Mateo, California, Bond Counsel. Certain legal matters will also be passed upon for the Authority and the City by Jones Hall LLP, as Disclosure Counsel. Certain legal matters will be passed upon for the City and the Authority by the City Attorney. Certain legal matters will be passed upon for the Underwriter by its counsel, Best Best & Krieger LLP, Los Angeles, California. It is anticipated that the Bonds will be delivered in book-entry form through the facilities of DTC on or about September __, 2026.

Piper Sandler & Co.

The date of this Official Statement is: ____, 2026.

* Preliminary; subject to change.

MATURITY SCHEDULE

\$25,000,000
CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY
SPECIAL TAX REVENUE BONDS
SERIES 2026

(Base CUSIP†: _____)

Serial Bonds

<u>Maturity Date</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u>

\$_____ % Term Bond Due September 1, 20__; Price: _____%; Yield: _____%; CUSIP†: _____

† CUSIP is a Registered Trademark of The American Bankers Association. FactSet Research Systems Inc. operates The CUSIP Service Bureau for the ABA. These data are not intended to create a database and do not serve in any way as a substitute for the CUSIP services. Neither the Authority, the City nor the Underwriter is responsible for the selection or correctness of the CUSIP numbers set forth above.

**CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY
CITY OF PITTSBURG
(CONTRA COSTA COUNTY, CALIFORNIA)**

CITY COUNCIL

Dionne Adams, *Chair and Mayor*
Angelica Lopez, *Vice Chair and Vice Mayor*
Jelani Killings, *Member and City Council Member*
Juan Antonio Banales, *Member and City Council Member*
Arlene Kobata, *Member and City Council Member*

AUTHORITY/CITY STAFF

Darin Gale, *Executive Director and City Manager*
Elena Adair, *Treasurer and City Director of Finance*
Alice E. Evenson, *Secretary and City Clerk*

SPECIAL SERVICES

Municipal Advisor

NHA Advisors
San Rafael, California

Bond and Disclosure Counsel

Jones Hall LLP
San Mateo, California

Special Tax Consultant

Goodwin Consulting Group, Inc.
Sacramento, California

Trustee and Fiscal Agent

The Bank of New York Mellon Trust Company, N.A.
San Francisco, California

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

No Offering May Be Made Except by this Official Statement. No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations with respect to the Bonds other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the City since the date of this Official Statement.

Use of this Official Statement. This Official Statement is submitted in connection with the sale of the Bonds referred to in this Official Statement and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract with the purchasers of the Bonds.

Preparation of this Official Statement. The information contained in this Official Statement has been obtained from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Document References and Summaries. All references to and summaries of the Indenture or other documents contained in this Official Statement are subject to the provisions of those documents and do not purport to be complete statements of those documents.

Stabilization of and Changes to Offering Prices. The Underwriter may over allot or take other steps that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. If commenced, the Underwriter may discontinue such market stabilization at any time. The Underwriter may offer and sell the Bonds to certain dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

Bonds are Exempt from Securities Laws Registration. The issuance and sale of the Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions for the issuance and sale of municipal securities provided under Section 3(a)(2) of the Securities Act of 1933 and Section 3(a)(12) of the Securities Exchange Act of 1934.

Estimates and Projections. Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

Website. The City maintains an Internet website, but the information on the website is not incorporated in this Official Statement.

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OFFICIAL STATEMENT

\$25,000,000
CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY
Special Tax Revenue Bonds
Series 2026

This Official Statement, including the cover page and the appendices hereto, is provided to furnish information regarding the issuance by the City of Pittsburg Public Financing Authority (the “**Authority**”) of its Special Tax Revenue Bonds, Series 2026 (the “**Bonds**”) in the aggregate principal amount set forth above.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Definitions of certain terms used herein and not defined herein have the meaning set forth in the Indenture or the CFD Fiscal Agent Agreement described herein.

INTRODUCTION

This Introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

Capitalized terms used but not defined in this Official Statement have the meanings set forth in the Indenture (as defined below). See “APPENDIX A – Summary of Certain Provisions of Principal Legal Documents.”

Purpose. The Bonds are being issued by the Authority to assist the City of Pittsburg (the “**City**”) in the financing of certain improvements for its Community Facilities District 2009-01 (San Marco) (the “**CFD**” or the “**District**”). The Bonds are being issued to purchase the City’s Community Facilities District 2009-01 (San Marco) Special Tax Bonds, Series 2026 (the “**CFD Bonds**”), which will be issued by the City concurrently with the Bonds. The CFD Bonds are being issued to provide money for the acquisition of public improvements authorized to be financed by the District, fund a debt service reserve fund, and pay costs of issuance. The City has not previously issued bonds for the District; the CFD Bonds are the first series of bonds to be issued for the District and the City has covenanted not to issue additional special tax bonds for the District, except for refunding purposes. Similarly, the Authority has covenanted not to issue any additional special tax revenue bonds on parity with the Bonds, except for refunding purposes.

The District. Land within the District is constitutes a portion of the broader San Marco / Oak Hills development area in the City of Pittsburgh (the “**City**”), where West Coast Home Builders and Seecon Financial & Construction Co., Inc., the master developer (the “**Master Developer**”), and their affiliates have been actively developing residential projects since the 1990s. The developed property within the District currently consists of 830 taxable parcels, 814 of which are homes owned by individual homeowners and 12 are homes owned by the Master Developer with the remaining 4 parcels undeveloped and owned by the Master Developer, all as described herein. See “OWNERSHIP OF PROPERTY WITHIN THE DISTRICT” herein.

Security for the Bonds and CFD Bonds. The Bonds are special obligations of the Authority, payable from and secured by “**Revenues**” (as defined herein) of the Authority consisting primarily of payments on the CFD Bonds received by the Authority from the City. Scheduled annual payments on the CFD Bonds exceed an amount sufficient to pay annual principal and interest on the Bonds when due. See “SECURITY FOR THE BONDS – Security for the CFD Bonds” below.

The Bonds are secured by a lien on and security interest in all of the Revenues and any other amounts (including proceeds of the sale of the Bonds) held in certain funds established under the Indenture of Trust, dated as of September 1, 2026 (the “**Indenture**”), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “**Trustee**”). See “SECURITY FOR THE BONDS – Revenues and Flow of Funds.”

The CFD Bonds are secured by Special Tax Revenues pledged under the CFD Fiscal Agent Agreement (both as described herein), consisting mainly of special taxes (the “**Special Tax**” or “**Special Taxes**”) net of certain administrative expenses levied against taxable property in the District. The unpaid Special Taxes constitute a trust fund for the redemption and payment of the principal of the CFD Bonds and the interest thereon. Special Taxes have been levied in the District since Fiscal Year 2010-11; however, the CFD Bonds are the first series of bonds to be issued for the District.

The Special Taxes are levied by the City on taxable real property within the boundaries of the District. The CFD Bonds are also payable from the proceeds of any foreclosure actions brought following a delinquency in payment of the Special Taxes, and from amounts held in certain funds and accounts related to the CFD Bonds, all as more fully described herein. The Special Tax applicable to each taxable parcel in the District will be levied and collected according to the tax liability determined by the City Council through the application of a rate and method of apportionment of Special Tax for the District (the “**Rate and Method**”) which was approved by the City in connection with the formation of the District in 2010. The Special Tax represents a lien on the parcels of land subject thereto, and failure to pay the Special Tax could result in proceedings to foreclose the delinquent property. See “SECURITY FOR THE BONDS — Special Tax Methodology” and “APPENDIX C — RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX.”

Unpaid Special Taxes do not constitute a personal indebtedness of the owners of the parcels within the District, and the owners have made no commitment to pay the principal of or interest on the CFD Bonds or to support payment of the CFD Bonds in any manner. In the event of delinquency, proceedings may be conducted only against the particular parcel securing the delinquent Special Tax.

Special Tax Levy. The CFD Bonds are being issued in the maximum amount allowed to be issued for the District and the annual debt service coverage for the all CFD Bonds exceeds 110% from annual Special Tax Revenues (described herein) based on annual Maximum Special Taxes that may be generated from Developed Property on the Fiscal Year 2026-27 tax roll, taking into account the annual 2% escalation factor for the Maximum Special Tax assigned to each Parcel in future years. For the Fiscal Year 2026-27 Special Tax levy, there are 830 taxable parcels in the District, of which all but 4 undeveloped parcels will be levied. The 826 parcels to be levied are single family residences. Undeveloped property can be levied a Special Tax in the event of delinquencies on Developed Property (as those terms are defined in the Rate and Method described herein). See “VALUE OF PROPERTY AND VALUE-TO-LIEN RATIOS” for additional details.

No Additional Bonds or CFD Bonds, Except for Refunding. Additional special tax bonds of the City for the District, and additional revenue bonds of the Authority to purchase them, may only be issued and secured on parity with the CFD Bonds and Bonds for refunding purposes. The authorized indebtedness limit of the District is \$25,000,000.

The District and Value of Land in the District. Property in the District subject to the Special Tax securing the CFD Bonds consists of 826 single family homes developed since the formation of the District, and 4 undeveloped parcels owned by the Master Developer of land in the District. The City has obtained the 2025-26 assessed values of all of the taxable land in the District. The assessed value of all taxable property within the District is approximately 24.69 times the \$25,246,485* principal amount of the CFD Bonds and overlapping debt. This is an average for all taxable property in the District, and the value-to-lien ratios for individual parcels vary widely from this average. See “VALUE OF PROPERTY AND VALUE-TO-LIEN RATIOS – Appraised Values” and “APPENDIX D – The Appraisal” herein.

Redemption. The Bonds are subject to redemption prior to maturity as described herein. See “THE Bonds – Redemption” herein.

Bond Insurance; Reserve Fund Surety. Concurrently with the issuance of the Bonds, _____ (“___” or the “Bond Insurer”) will issue its Municipal Bond Insurance Policy (the “Policy”) the Bonds maturing on _____ of the years _____ through _____, inclusive (the “Insured Bonds”). The Policy guarantees the scheduled payment of principal of and interest on the Insured Bonds when due, as set forth in the form of the Policy included as Appendix G to this Official Statement. See “BOND INSURANCE” and APPENDIX G.

Risks of Investment. See the section of this Official Statement entitled “RISK FACTORS” for a discussion of special factors that should be considered, in addition to the other matters set forth herein, in considering the investment quality of the Bonds.

THE BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM AND SECURED SOLELY BY THE REVENUES AND FUNDS PLEDGED THEREFOR IN THE INDENTURE. THE BONDS AND THE CFD BONS ARE NOT A DEBT OR LIABILITY OF THE CITY, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISIONS THEREOF OTHER THAN THE AUTHORITY TO THE LIMITED EXTENT DESCRIBED HEREIN, AND NEITHER THE FAITH AND CREDIT OF THE AUTHORITY, THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS ARE PLEDGED TO THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR CFD BONDS AND NEITHER THE

* Preliminary; subject to change.

AUTHORITY (EXCEPT TO THE LIMITED EXTENT DESCRIBED HEREIN), THE CITY (EXCEPT TO THE LIMITED EXTENT DESCRIBED HEREIN), THE STATE NOR ANY OF ITS POLITICAL SUBDIVISIONS IS LIABLE THEREFOR, NOR IN ANY EVENT SHALL THE BONDS, THE CFD BONDS OR ANY INTEREST THEREON BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THOSE OF THE AUTHORITY OR CITY AS SET FORTH IN THE INDENTURE AND CFD FISCAL AGENT AGREEMENT. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE AUTHORITY, THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. THE AUTHORITY HAS NO TAXING POWER.

Limited Scope of Official Statement. There follows in this Official Statement descriptions of the Authority, the Bonds, the Indenture, the City, the CFD Bonds, the Fiscal Agent Agreement, dated as of September 1, 2026 (the “**CFD Fiscal Agent Agreement**”) , by and between the City and The Bank of New York Mellon Trust Company, N.A., as fiscal agent (the “**Fiscal Agent**”) providing for issuance of the CFD Bonds, and certain other documents. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and reference is made to each such document for the complete details of all its respective terms and conditions. All statements herein with respect to such documents are qualified in their entirety by reference to each such document for the complete details of all of their respective terms and conditions. All statements herein with respect to certain rights and remedies are qualified by reference to laws and principles of equity relating to or affecting creditors’ rights generally. Terms not defined herein shall have the meanings set forth in the Indenture or the CFD Fiscal Agent Agreement, as applicable.

The information and expressions of opinion herein speak only as of the date of this Official Statement and are subject to change without notice. Neither delivery of this Official Statement nor any sale made hereunder nor any future use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority or the City since the date hereof.

All financial and other information presented in this Official Statement has been provided by the Authority and the City from their records, except for information expressly attributed to other sources. The presentation of information is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial or other affairs of the owners, the District, the Authority or the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

FINANCING PLAN

General

The Bonds are being issued to acquire the CFD Bonds, which will be issued by the City concurrently with the issuance of the Bonds. Proceeds of the Bonds and the CFD Bonds will be used to finance certain public authorized improvements for the District and capital improvements within the City. Proceeds will also be used to fund a reserve fund for the Bonds and to pay costs of issuance, as described below. See “– Estimated Sources and Uses of Funds.” Net proceeds of the CFD Bonds will be deposited to the Improvement Fund held by the Fiscal Agent under the CFD Fiscal Agent Agreement for the purpose of financing public improvements, most of which the Master Developer has completed. The City will reimburse the Master Developer using the proceeds of the CFD Bonds pursuant to an Acquisition, Funding and Disclosure Agreement entered into in 2010, as amended in connection with the issuance of the CFD Bonds, under which to date the Master Developer has received funds generated from the Special Taxes on a pay-as-you go basis.

Estimated Sources and Uses of Funds

Bonds. The estimated sources and uses of funds relating to the Bonds are as follows:

Sources:

Principal Amount of the Bonds

Plus: Original Issue Premium

Total Sources

Uses:

Deposit to Purchase Fund⁽¹⁾

Deposit to Reserve Fund⁽²⁾

Costs of Issuance⁽³⁾

Underwriter's Discount

Total Uses

(1) To be used to acquire the CFD Bonds.

(2) Equal to the Reserve Requirement (defined herein) for the CFD Bonds on the date of delivery thereof.

(3) Costs of issuance include Trustee and Fiscal Agent fees, Bond Counsel fees, Disclosure Counsel fees, Municipal Advisor fees, printing costs, premiums for the Policy and the Reserve Policy, and other related costs of issuing the Bonds and the CFD Bonds.

CFD Bonds. The estimated sources and uses of funds relating to the CFD Bonds (which are being purchased at the same price as the Bonds, as shown below) are as follows:

Sources:

Purchase Price of CFD Bonds

Total Sources

Uses:

Deposit to Improvement Fund⁽¹⁾

Total Uses

(1) To be held by the City and used for improvements with respect to the District.

THE BONDS

This section provides summaries of the Bonds and certain provisions of the Indenture. See “APPENDIX A – Summary of Certain Provisions of Principal Legal Documents” for a more complete summary of the Indenture. Capitalized terms used but not defined in this section have the meanings given in APPENDIX A.

Authority for Issuance

The Bonds are being issued under the provisions of the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the “**Bond Law**”), a resolution of the Board of Directors of the Authority adopted on August __, 2026 (the “**Authority Resolution**”), and the Indenture.

Bond Terms

General. The Bonds will be dated their date of delivery, and will be issued in the aggregate principal amounts set forth on the inside cover page hereof. The Bonds will bear interest from their dated date at the rates per annum set forth on the inside cover page hereof, payable semiannually on each March 1 and September 1, commencing March 1, 2027 (each, an “**Interest Payment Date**”), and will mature in the amounts and on the dates set forth on the inside cover page hereof.

The Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof.

Payment of Interest and Principal. Interest calculated on the basis of a 360-day year of twelve 30-day months on the Bonds will be payable on each Interest Payment Date to the person whose name appears on the Bond Register as the Owner of such Bond as of the fifteenth calendar day of the month preceding the month in which such Interest Payment Date occurs, whether or not such day is a Business Day (the “**Record Date**”) immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed on such Interest Payment Date by first class mail, postage prepaid, to the Owner at the address of such Owner as it appears on the Bond Register or by wire transfer to an account in the United States of America made on such Interest Payment Date upon instructions of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds of a Series provided to the Trustee in writing at least 5 Business Days before the Record Date for such Interest Payment Date.

Principal of and premium (if any) on any Bond will be paid upon presentation and surrender of such Bond, at maturity or the prior redemption of such Bond, at the Trust Office of the Trustee.

Calculation of Interest. Each Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date; or (b) it is authenticated on or before February 15, 2025, in which event it will bear interest from the Closing Date; provided, however, that if, as of the date of authentication of any Bond, interest on such Bond is in default, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on such Bond, or from the Closing Date if no interest has been paid or made available for payment.

Redemption

Optional Redemption. The Bonds maturing on or before September 1, 20__, are not subject to optional redemption prior to maturity. The Bonds maturing on and after September 1, 20__, may be redeemed at the option of the Authority, from any source of available funds, prior to maturity on any date on or after September 1, 20__, as a whole, or in part from maturities corresponding to the maturities of the CFD Bonds simultaneously redeemed, if any redemption of CFD Bonds is being accomplished in conjunction with such optional redemption, and otherwise from such maturities as are selected by the Authority, and by lot within a maturity, at the following respective redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

<u>Redemption Dates</u>	<u>Redemption Price</u>
September 1, 20__ through August 31, 20__	103%
September 1, 20__ through August 31, 20__	102
September 1, 20__ through August 31, 20__	101
September 1, 20__ and any date thereafter	100

Special Mandatory Redemption. The Bonds are subject to mandatory special redemption on any Interest Payment Date from proceeds of early redemption of CFD Bonds from prepayment of Special Taxes (as defined in the CFD Fiscal Agent Agreement), in whole or in part, from maturities corresponding to the maturities of the CFD Bonds simultaneously redeemed, at the principal amount thereof, plus a premium expressed below as a percentage of the principal amount so redeemed, plus accrued interest to the date of redemption thereof:

<u>Redemption Dates</u>	<u>Redemption Price</u>
Any Interest Payment Date from March 1, 20__ through March 1, 20__	103%
September 1, 20__ and March 1, 20__	102
September 1, 20__ and March 1, 20__	101
September 1, 20__ and any Interest Payment Date thereafter	100

Mandatory Sinking Fund Redemption of Bonds. The Bonds maturing on September 1, _____ and September 1, _____ (the “**Term Bonds**”), are subject to redemption prior to their stated maturity, in part, by lot from amounts deposited into the Principal Account in the following amounts and on the following dates, at the principal amount thereof on the date fixed for redemption, without premium, but which amounts will be reduced by the principal amount of all Bonds optionally redeemed:

Term Bond Maturing September 1, _____

Mandatory Redemption Dates (September 1)	Principal Amount

(maturity)

Term Bond Maturing September 1, _____

Mandatory Redemption Dates (September 1)	Principal Amount

(maturity)

For a description of the redemption provisions of the CFD Bonds, see “APPENDIX A – Summary of Certain Provisions of Principal Legal Documents – CFD Fiscal Agent Agreement Relating to the CFD Bonds.”

Certification of Independent Financial Consultant. In connection with an optional or special mandatory redemption of Bonds, the Authority will deliver to the Trustee a certificate of an Independent Financial Consultant verifying that, following such optional prepayment of the CFD Bonds and redemption of the Bonds, the principal and interest generated from the remaining CFD Bonds is adequate to make the timely payment of principal and interest due on the Bonds that will remain Outstanding hereunder following such optional redemption.

Notice of Redemption. The Trustee on behalf, and at the expense, of the Authority will mail (by first class mail, postage prepaid) notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Bond Register, and to the Securities Depositories and to the Municipal Securities Rulemaking Board, at least 20 but not more than 60 days prior to the date fixed for redemption. Neither failure to receive any such notice so mailed nor any defect therein will affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice will state the date of the notice, the redemption date, the redemption place and the redemption price and will designate the CUSIP numbers, the Bond numbers and the maturity or maturities (in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and will require that such Bonds be then surrendered at the Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue after the redemption date.

In addition to the foregoing notice, further notice will be given by the Trustee in said form by first class mail to any Bondowner whose Bond has been called for redemption but who has failed to submit his Bond for payment by the date which is 60 days after the redemption date, but no defect in said further notice nor any failure to give or receive all or any portion of such further notice will in any manner defeat the effectiveness of a call for redemption.

Rescission of Redemption Notice. Any such redemption notice may specify that redemption on the specified date will be subject to receipt by the Authority of moneys sufficient to cause such redemption (and will specify the proposed source of such moneys), and neither the Authority nor the Trustee will have any liability to the Owners or any other party as a result of its failure to redeem the Bonds as a result of insufficient moneys. The Authority will have the right to rescind any redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption will be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default hereunder. The Trustee will mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

Selection of Bonds of a Maturity for Redemption. Unless otherwise provided under the Indenture, whenever provision is made in the Indenture or in the applicable Supplemental Indenture for the redemption of fewer than all of the Bonds of a maturity of a series, the Trustee will select the Bonds to be redeemed from all Bonds of such maturity not previously called for redemption, by lot in any manner which the Trustee in its sole discretion will deem appropriate and fair. For purposes of such selection, all Bonds will be deemed to be comprised of separate \$5,000 authorized denominations, and such separate authorized denominations will be treated as separate Bonds which may be separately redeemed.

Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Authority will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of the same maturity date, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption will have been duly provided, such Bonds so called will cease to be entitled to any benefit under the Indenture other than the right to receive payment of the redemption price, and no interest will accrue on such Bonds from and after the redemption date specified in such notice.

Book-Entry Only System

General. The Bonds will be issued as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company (“**DTC**”), and will be available to actual purchasers of the Bonds (the “**Beneficial Owners**”) in the denominations set forth above, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants (as defined in this Official Statement) as described in this Official Statement. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See “APPENDIX F – DTC and the Book-Entry-Only System.”

If the book-entry-only system is no longer used with respect to the Bonds, the Bonds will be registered and transferred in accordance with the Indenture. See “– Registration, Transfer and Exchange of Bonds” below.

Payments Made to DTC. While the Bonds are subject to the book-entry system, the principal and interest with respect to a Bond will be paid by the Trustee to DTC, which in turn is obligated to remit such payment to its DTC Participants for subsequent disbursement to Beneficial Owners of the Bonds, as described in “APPENDIX F – DTC and the Book-Entry-Only System.”

Registration, Transfer and Exchange of Bonds

Bond Register. The Trustee will keep or cause to be kept at its Trust Office sufficient records for the registration and transfer of the Bonds, which will be the Bond Register and will at all times during regular business hours be open to inspection by the Authority upon reasonable notice; and, upon presentation for such purpose, the Trustee will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said records, Bonds as provided under the Indenture.

Transfer of Bonds. Subject to the book-entry only provisions of the Indenture, any Bond may in accordance with its terms, be transferred, upon the Bond Register, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed.

Whenever any Bond is surrendered for transfer, the Authority will execute and the Trustee will thereupon authenticate and deliver to the transferee a new Bond or Bonds of like Series, tenor, maturity and aggregate principal amount. No Bonds selected for redemption will be subject to transfer, nor will any Bond be subject to transfer during the 15 days prior to the selection of Bonds for redemption.

Exchange of Bonds. Bonds may be exchanged at the Trust Office of the Trustee for Bonds of the same Series, tenor and maturity and of other authorized denominations. No Bonds selected for redemption will be subject to exchange, nor will any Bond be subject to exchange during the 15 days prior to the selection of Bonds for redemption. The Owners of the Bonds will be required to pay any tax or other governmental charge required to be paid for any exchange and the Owners of the Bonds will be required to pay the reasonable fees and expenses of the Trustee and Authority in connection with the exchange of any Bonds.

The cost of printing any Bonds and any services rendered or any expenses incurred by the Trustee in connection with any transfer or exchange will be paid by the Authority. However, the Owners of the Bonds will be required to pay any tax or other governmental charge required to be paid for any exchange or registration of transfer and the Owners of the Bonds will be required to pay the reasonable fees and expenses of the Trustee and Authority in connection with the replacement of any mutilated, lost or stolen Bonds.

DEBT SERVICE SCHEDULE

The Bonds. The table below presents the debt service schedule for the Bonds (including the Bonds), assuming no optional or special mandatory redemptions are made. The scheduled aggregate debt service on the Bonds exceeds the scheduled aggregate debt service on the CFD Bonds. The table is followed by a table showing debt service coverage.

Annual Debt Service Schedule for the Bonds

Year Ending Sept. 1	Bonds Principal	Bonds Interest	Bonds Total Debt Service
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
2054			
2055			
2056			
Totals			

Source: Underwriter.

CFD Bonds Debt Service Coverage. Debt service coverage on the Bonds will be at least 110% each year during the life of the Bonds.

SECURITY FOR THE BONDS

The Bonds are special obligations of the Authority, payable from and secured by Revenues (as defined herein) of the Authority consisting primarily of payments received by the Authority from the City on the CFD Bonds. This section provides summaries of the security for the Bonds and certain provisions of the Indenture. See "APPENDIX A – Summary of Certain Provisions of Principal Legal Documents" for a more complete summary of the Indenture. Capitalized terms used but not defined in this section have the meanings given in APPENDIX A.

Limited Obligation

In order to secure the payment of the principal of, premium, if any, and interest on the Bonds in accordance with their terms and the provisions of the Indenture, and subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein, the Authority pledges all of the Revenues, which constitutes a first pledge of and charge and lien for payment of the Bonds in accordance with their terms, and which is valid and binding from and after issuance of the Bonds, without any physical delivery thereof or further act. The pledge is also irrevocable until all of the Bonds issued under the Indenture are no longer Outstanding.

Under the Indenture, the Authority transfers in trust, grants a security interest in and assigns to the Trustee, for the benefit of the Owners from time to time of the Bonds all of the Revenues and all of the right, title and interest of the Authority in the CFD Bonds, subject to the terms of the Indenture. The Trustee shall be entitled to collect and receive all of the Revenues, and any Revenues collected or received by the Authority are deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and shall be paid by the Authority to the Trustee. Subject to the provisions of the Indenture, the Trustee also is entitled to and will take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the City under the CFD Bonds.

The CFD Bonds are limited obligations of the City and secured by an irrevocable pledge of certain revenues of the City, consisting primarily of monies received by the City as payment of special taxes levied against property within the District. Scheduled payments under the CFD Bonds are sufficient to provide the Authority with money to pay the principal of, premium, if any, and interest on the Bonds when due.

The CFD Bonds are payable solely from and secured solely by the Special Tax Revenues, consisting of the Special Taxes net of administrative expenses, and the amounts in the Special Tax Fund created with respect thereto under the CFD Fiscal Agent Agreement (the "**Special Tax Fund**"). The City is not obligated to advance available surplus funds from the City treasury to cure any deficiency in any Special Tax Fund. All obligations of the City under the CFD Fiscal Agent Agreement are not general obligations of the City, but are limited obligations, payable solely from the Special Taxes and the funds pledged therefor under the CFD Fiscal Agent Agreement. Neither the faith and credit of the City nor of the State of California or any political subdivision thereof is pledged to the payment of the CFD Bonds.

Revenues and Flow of Funds

Pledge of Revenues. Subject to the terms of the Indenture, the Bonds are secured by a first lien on and pledge of all of the Revenues, which consist primarily of amounts received by the Authority as the result of its ownership of the CFD Bonds. Under the Indenture, the Authority will

transfer in trust, grant a security interest in and assign to the Trustee, for the benefit of the Owners from time to time of the Bonds, all of the Revenues and all of the right, title and interest of the Authority in the CFD Bonds.

Revenues. The Indenture defines “**Revenues**” as follows:

- (a) all amounts received from the CFD Bonds;
- (b) any proceeds of the Bonds originally deposited with the Trustee and all moneys deposited and held from time to time by the Trustee in the funds and accounts established under the Indenture with respect to the Bonds (other than the Rebate Fund and the Surplus Fund); and
- (c) investment income with respect to any moneys held by the Trustee in the funds and accounts established under the Indenture with respect to the Bonds (other than investment income on moneys held in the Rebate Fund and the Surplus Fund).

Collection by the Trustee. The Trustee will collect and receive all of the Revenues, and any Revenues collected or received by the Authority will be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and will forthwith be paid by the Authority to the Trustee. The Trustee also is entitled to and may take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the City under the CFD Bonds.

Under the Indenture, the Trustee is directed to establish, maintain and hold in trust a special fund designated as the “Revenue Fund” and deposit the Revenues, when and as received by the Trustee, therein; provided that the Trustee shall deposit any Revenues that represent payment of the redemption price of any CFD Bonds into the Redemption Account of the Special Tax Fund established under the CFD Fiscal Agent Agreement. All moneys at any time held in the Revenue Fund shall be held in trust for the benefit of the Owners and shall be disbursed, allocated, and applied solely for payment of the Bonds and for any other uses and purposes set forth in the Indenture. Subject to the provisions of the Indenture regarding the remedies and rights of the Bond Owners, the Trustee is also entitled to and will take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the City under the CFD Bonds.

Application of Revenues. On each Interest Payment Date and date for redemption of the Bonds, the Trustee will transfer from the Revenue Fund, and deposit into the following respective accounts for the Bonds, the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

Interest Account. On each Interest Payment Date and redemption date, the Trustee will deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to equal the amount of interest becoming due and payable on such Interest Payment Date on all Outstanding Bonds or to be paid on the Bonds being redeemed on such date. No deposit need be made into the Interest Account if the amount contained in such account is at least equal to the interest becoming

due and payable upon all Outstanding Bonds on the next succeeding Interest Payment Date or redemption date, as applicable.

All moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it becomes due and payable (including accrued interest on any Bonds redeemed prior to maturity). If the amounts on deposit in the Interest Account on any Interest Payment Date or redemption date are insufficient for any reason to pay the aggregate amount of interest then coming due and payable on the Outstanding Bonds, the Trustee will apply such amounts to the payment of interest on each of the Outstanding Bonds on a pro rata basis.

Principal Account. On each Interest Payment Date and redemption date on which the principal of the Bonds will be payable, the Trustee will deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of, and premium (if any) on, the Bonds coming due and payable on such Interest Payment Date, or required to be redeemed on such date; provided, however, that no amount will be deposited to effect a mandatory special redemption unless the Trustee has first received a certificate of an Independent Financial Consultant certifying that such deposit to effect the redemption of the Bonds will not impair the ability of the Authority to make timely payment of the principal of and interest on the Bonds, assuming for such purposes that the City continues to make timely payments on all CFD Bonds not then in default.

All moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds at the maturity thereof or upon any earlier redemption thereof.

Deficiencies. If on any Interest Payment Date or date for redemption the amount on deposit in the Revenue Fund is inadequate to make the transfers described above as a result of a payment default on an issue of CFD Bonds, the Trustee will immediately notify the City of the amount needed to make the required deposits. In the event that within 5 Business Days of delivering such notice the Trustee receives additional payments from the City to cure such shortfall, the Trustee will deposit such amounts to the account designated in writing by the City.

Reserve Fund

Under the Indenture the Trustee will establish and maintain a separate fund to be held by the Trustee to be known as the “**Reserve Fund**,” to the credit of which the Trustee shall deposit an amount equal to the “**Reserve Requirement**” which is initially \$_____ and thereafter an amount which is equal to the lesser of (a) Maximum Annual Debt Service on the Bonds, (b) 125% of Average Annual Debt Service for the Bonds, (c) 10% of the original principal amount of the Bonds (or, if the Bonds have more than a de minimis amount of original issue discount or premium, 10% of the issue price of the Bonds); provided, that the Reserve Requirement for the Bonds shall not increase after the date of issuance of the Bonds. Moneys in the Reserve Fund shall be held in trust by the Trustee for the benefit of the Owners of the Bonds and, pending any disbursement, shall be subject to a lien in favor of the Owners of the Bonds. In the event the amount in the Reserve Fund falls below the Reserve Requirement the Authority has no obligation to replenish the Reserve Fund from funds other than the Revenues.

The Authority has the right at any time to cause the Trustee to release funds from the Reserve Fund, in whole or in part, by tendering to the Trustee a “**Qualified Reserve Fund Credit**

Instrument” as defined in the Indenture, being an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company and deposited with the Trustee, meeting the following requirements: (i) the long-term credit rating of such bank or insurance company is rated in at least the “AA” category (without regard to qualifier) by S&P or Moody’s; (ii) such letter of credit or surety bond has a term of at least twelve (12) months; (iii) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released; and (iv) the Trustee is authorized pursuant to the terms of such letter of credit or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Bond Fund for the purpose of making payments required by the Indenture. Upon tender of such items to the Trustee, the Trustee will transfer such funds from the Reserve Fund to the Authority.

The Authority and the City will have no obligation to replace a Qualified Reserve Fund Credit Instrument or to fund the Reserve Fund with cash if, at any time that the Bonds are Outstanding, any rating assigned to the provider is downgraded, suspended or withdrawn or amounts are not available under a Reserve Policy, other than in connection with a draw on the Qualified Reserve Fund Credit Instrument.

No Additional Bonds or CFD Bonds, Except for Refunding

The Indenture and the Fiscal Agent Agreement provide that no additional bonds secured by a pledge of Special Taxes or Revenues, except for bonds the net proceeds of which are used solely to refund all or a portion of the then outstanding bonds or CFD Bonds.

Security for the CFD Bonds

This section contains only a brief description of certain provisions of the CFD Fiscal Agent Agreement; certain other provisions are described in “APPENDIX A – Summary of Certain Provisions of Principal Legal Documents.” Capitalized terms used but not defined in this section have the meanings given in APPENDIX A.

The CFD Bonds constitute a limited obligation of the City that is secured by a first lien on and pledge of, and is payable solely from, Special Tax Revenues (defined below) collected in the District and amounts deposited by the City in the Special Tax Fund. The City’s limited obligation to pay the principal of and interest on the CFD Bonds from Special Tax Revenues collected in the District and amounts in the Special Tax Fund is absolute and unconditional.

The CFD Bonds do not constitute a legal or equitable pledge, charge, lien or encumbrance upon the District’s or City’s property, or upon any of its income, receipts or revenues, except the Special Tax Revenues collected in the District and other amounts in the Special Tax Fund.

Except for the Special Tax Revenues, neither the credit nor the taxing power of the City is pledged for the payment of the CFD Bonds or related interest, and no Owner of the Bonds may compel the exercise of taxing power by the City or the forfeiture of any of its property. The principal of and interest on the CFD Bonds are not a debt of the City, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory limitation or restriction.

Special Taxes; Special Tax Revenues. The “**Special Taxes**” for the District (as defined in the Rate and Method established for the District) are levied and collected according to the Rate

and Method; see “– Special Tax Methodology” and “APPENDIX C – Rate and Method of Apportionment of Special Taxes.”

The CFD Bonds are payable from “**Special Tax Revenues**” pledged by the City for payment of the CFD Bonds, which are defined in the CFD Fiscal Agent Agreement as the proceeds of the Special Taxes annually received by the City, excluding any interest and penalties thereon collected in connection with delinquent Special Taxes, less an amount equal to the Administrative Expense Priority, including all scheduled payments and delinquent payments thereof, and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes. The “**Administrative Expense Priority**” is an amount to compensate the City for its internal administrative expenses related to the District, in the amount of (i) for Fiscal Year 2026-27, \$_____, and (ii) for each subsequent fiscal year, an amount equal to the preceding fiscal year’s Administrative Expense Priority plus an additional 2% of such amount.

Allocation of Special Taxes by the City. The Finance Director will establish two Special Tax Fund subaccounts, (i) the Debt Service Account, to the credit of which the City shall deposit, immediately upon receipt, all Special Tax Revenues received by the City, and (ii) the Surplus Account, to the credit of which the City shall deposit surplus Special Tax Revenues. Moneys in the Special Tax Fund will be held in trust by the City for the benefit of the City and the Owners of the CFD Bonds, shall be disbursed as provided below and, pending any disbursement, shall be subject to a lien in favor of the Owners of the CFD Bonds.

All Special Tax Revenues will be deposited in the Debt Service Account upon receipt. No later than 10 Business Days prior to each Interest Payment Date, the City is required to withdraw from the Debt Service Account and transfer (i) to the Trustee for deposit into the Authority Reserve Fund such that the amount then on deposit therein is equal to the Reserve Requirement, or to reimburse the provider of a Qualified Reserve Fund Credit Instrument for draws on the credit instrument, and (ii) to the Fiscal Agent for deposit in the Bond Fund an amount, taking into account any amounts then on deposit in the Bond Fund such that the amount in the Bond Fund equals the principal, premium, if any, and interest due on the CFD Bonds on the next Interest Payment Date, provided, however, that as soon as practicable after the receipt by the City of any prepayments of Special Taxes, but no later than 30 Business Days after such receipt, the City will transfer such prepayments to the Fiscal Agent for deposit into the Prepayment Account of the Bond Fund to be used for the redemption of bonds as instructed by the City. After the transfers under subsections (i) and (ii) have been made, the City may, on or after September 2 of each year, transfer to the Surplus Account the amount remaining in the Debt Service Account.

From time to time, the City may withdraw from the Surplus Account of the Special Tax Fund, to be used for any lawful purpose related to the District.

Allocation of Special Tax Revenues. A separate fund to be held by the Fiscal Agent, known as City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds Bond Fund, is established under the CFD Fiscal Agent Agreement to the credit of which Special Tax Revenues are deposited. Moneys in the Bond Fund are held in trust by the Fiscal Agent for the benefit of the Owners of the CFD Bonds, shall be disbursed for the payment of the principal of, and interest and any premium on, the CFD Bonds as provided below, and, pending such disbursement, shall be subject to a lien in favor of the Owners of the CFD Bonds.

On each Interest Payment Date, the Fiscal Agent shall withdraw from the Bond Fund and pay to the Authority, as the owner of the CFD Bonds the principal of, and interest and any

premium, then due and payable on the CFD Bonds. Moneys in the Prepayment Account, if any, shall be disbursed for redemption of CFD Bonds as instructed by the City.

In the event that amounts in the Bond Fund are insufficient to pay regularly scheduled payments of principal of and interest on the CFD Bonds, the Fiscal Agent will notify the Authority that a withdrawal from the Authority Reserve Fund may be necessary, the amount of such insufficiency, and the Fiscal Agent shall provide written notice to the Finance Director and the Special Tax Administrator of the insufficiency.

If, after the foregoing transfer, there are insufficient funds in the Bond Fund to make the payments provided for to pay regularly scheduled payments of principal of and interest on the CFD Bonds, the Fiscal Agent shall apply the available funds first to the payment of interest on the CFD Bonds, then to the payment of principal due on the CFD Bonds.

No Additional Bonds. Under the CFD Fiscal Agent Agreement, the City covenants that it will not mortgage or otherwise encumber, pledge or place any charge upon the Special Tax Revenues, except for refunding purposes, and will not issue any obligation or security having a lien or charge upon the Special Tax Revenues superior to or on a parity with the CFD Bonds.

Nothing in the CFD Fiscal Agent Agreement prevents the City from issuing or incurring indebtedness payable from a pledge of Special Tax Revenues that is subordinate in all respects to the pledge of Special Tax Revenues to repay the CFD Bonds.

Priority of Lien. The Special Taxes and any interest and penalties thereon constitute a lien on the parcel of land on which it was imposed until paid. This lien is co-equal to and independent of the lien for general taxes, the lien of any other community facilities district special taxes and special assessment liens. See "VALUE OF PROPERTY AND VALUE-TO-LIEN RATIOS – Direct and Overlapping Governmental Liens."

Covenant to Commence Foreclosure Proceedings. Under the Fiscal Agent Agreement, the City covenants with and for the benefit of the Owners of the CFD Bonds that it will annually on or before September 1 of each year review the public records of the County related to the collection of the Special Tax in order to determine the amount of the Special Tax collected in the prior Fiscal Year, and if the City determines on the basis of such review that:

(a) the amount so collected is deficient by more than 5% of the total amount of the Special Tax for the District levied in such Fiscal Year, then the City will institute, prosecute and pursue such foreclosure proceedings against each parcel in the District for which any installment of the Special Tax is delinquent in the time and manner provided below; or

(b) the amount so collected is deficient by less than 5% of the total amount of the Special Tax for the District levied in such Fiscal Year, but property owned by any single property owner is delinquent cumulatively by an amount equal to three installment payments with respect to the current and past Special Tax due, then the City will institute, prosecute and pursue such foreclosure proceedings against each such property owner in the time and manner provided below.

The Finance Director of the City shall within 60 days thereafter send or cause to be sent a written demand letter to the delinquent parcel(s) and lender of record, if any, as the first step in instituting foreclosure proceedings as authorized by the Mello-Roos Act in order to enforce the

lien of the delinquent installment of the Special Tax on each such parcel, and shall thereafter diligently prosecute and pursue such foreclosure proceedings to judgment and sale in such manner and upon such timing as advised by legal counsel, taking into account the amounts delinquent, the estimate cost of legal proceedings, the status of Special Tax collections and available debt service reserves; provided, that the City shall not be obligated to commence proceedings against any delinquent parcels in any Fiscal Year in which the City has received or expects to receive one hundred percent (100%) of the amount of such installment from a so-called "Teeter Plan."

Notwithstanding the foregoing, in certain instances the amount of a Special Tax delinquency on a particular parcel in relation to the cost of appropriate foreclosure proceedings may be such that the costs do not warrant the foreclosure proceedings costs. In such cases, foreclosure proceedings may be delayed by the City until there are sufficient Special Tax delinquencies accruing to such parcel (including interest and penalties thereon) to warrant the cost of such foreclosure proceedings.

Although the County has implemented the Teeter Plan and the Teeter Plan covers the District, the City has the ability to remove delinquent parcels from the Teeter Plan to comply with the foregoing covenant to commence foreclosure proceedings against delinquent parcels. For additional information on delinquencies in the District and the County's Teeter Plan, see "VALUE OF PROPERTY AND VALUE-TO-LIEN RATIOS – Delinquencies; Teeter Plan."

Under current law, a judgment debtor (property owner) has at least 140 days from the date of service of the notice of levy in which to redeem the property to be sold. If a judgment debtor fails to redeem and the property is sold, his or her only remedy is an action to set aside the sale, which must be brought within 90 days of the date of sale. If, as a result of such an action a foreclosure sale is set aside, the judgment is revived and the judgment creditor is entitled to interest on the revived judgment as if the sale had not been made (California Code of Civil Procedure Section 701.680).

Foreclosure by court action is subject to normal litigation delays, the nature and extent of which are largely dependent upon the nature of the defense, if any, put forth by the debtor and the condition of the calendar of the superior court of the county. Such foreclosure actions can be stayed by the superior court on generally accepted equitable grounds or as the result of the debtor's filing for relief under the Federal bankruptcy laws. The Act provides that, upon foreclosure, the Special Tax lien will have the same lien priority as is provided for *ad valorem* taxes and special assessments.

No assurances can be given that the real property subject to a judicial foreclosure sale will be sold or, if sold, that the proceeds of sale will be sufficient to pay any delinquent Special Tax installment. The Act does not require the District to purchase or otherwise acquire any lot or parcel of property foreclosed upon if there is no other purchaser at such sale.

Section 53356.6 of the Act requires that property sold pursuant to foreclosure under the Act be sold for not less than the amount of judgment in the foreclosure action, plus post-judgment interest and authorized costs, unless the consent of the owners of 75% of the outstanding CFD Bonds is obtained. However, under Section 53356.6 of the Act, the District, as judgment creditor, is entitled to purchase any property sold at foreclosure using a "credit bid," where the District could submit a bid crediting all or part of the amount required to satisfy the judgment for the delinquent amount of the Special Tax. If the District becomes the purchaser under a credit bid,

the District must pay the amount of its credit bid into the redemption fund established for the CFD Bonds, but this payment may be made up to 24 months after the date of the foreclosure sale.

Other Covenants of the City. In the CFD Fiscal Agent Agreement, the City will make the following covenants (among others).

Punctual Payment. It will duly and punctually pay or cause to be paid the principal of and interest on the CFD Bonds, to the extent that Special Tax Revenues and other amounts pledged under the CFD Fiscal Agent Agreement are available for such payment.

Against Encumbrance. It will not mortgage or otherwise encumber, pledge or place any charge upon any of the Special Tax Revenues except as provided in the CFD Fiscal Agent Agreement, and will not issue any obligation or security having a lien or charge upon the Special Tax Revenues superior to or on a parity with the CFD Bonds except for Additional CFD Bonds issued in accordance with the CFD Fiscal Agent Agreement. Nothing in the CFD Fiscal Agent Agreement prevents the City from issuing or incurring indebtedness payable from a pledge of Special Tax Revenues that is subordinate in all respects to the pledge of Special Tax Revenues to repay the CFD Bonds.

Levy of Special Tax. The City will comply with all requirements of the Act so as to ensure the timely collection of Gross Taxes, including without limitation, the enforcement of delinquent Special Taxes.

Processing. On or within 5 Business Days of each June 1, the CFD Fiscal Agent will provide the City with a notice stating the amount then on deposit in the Special Tax Fund and the other funds and accounts held by the Fiscal Agent under the CFD Fiscal Agent Agreement as necessary to provide for the Special Tax Requirement, which is calculated in the manner described below. The receipt of or failure to receive such notice by the City will in no way affect the obligations of the City under the following two paragraphs and the Fiscal Agent will not be liable for failure to provide such notice to the City. Upon receipt of such notice, the City will communicate with the Auditor to ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits or combinations during the preceding and then current year.

Levy. The City will effect the levy of the Special Taxes each Fiscal Year in accordance with the Ordinance by each August 1 that the CFD Bonds are outstanding, or otherwise such that the computation of the levy is complete before the final date on which the Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the next real property tax roll. Upon the completion of the computation of the amounts of the levy, the City will prepare or cause to be prepared, and will transmit to the Auditor, such data as the Auditor requires to include the levy of the Special Taxes on the next real property tax roll.

Computation. The City will fix and levy the amount of Special Taxes within the District in an amount sufficient, together with other amounts on deposit in the Special Tax Fund and available for such purpose, to pay (A) the principal of and interest on the CFD Bonds when due, (B) the Administrative Expenses, including amounts necessary to discharge any rebate obligation, during such year and (C) any amounts required to replenish the Authority Reserve Fund to the Reserve Requirement (the “**Special Tax Requirement**”), taking into account the balances in such funds and in the Special Tax Fund; provided, that for each year that any CFD Bonds are Outstanding, the City shall

levy the Maximum Special Tax on the following Taxable Property in the District: Developed Property and Final Map Property (as such terms are defined in the Rate and Method). The City shall administer the Rate and Method in a manner that once a parcel is classified or designated as Developed Property, such classification or designation shall not be reversible. The Special Taxes so levied may not exceed the authorized amounts as provided in the proceedings under the Resolution of Formation.

Collection. The Special Taxes will be payable and be collected in the same manner and at the same time and in the same installment as the general taxes on real property are payable, and have the same priority, become delinquent at the same time and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the *ad valorem* taxes on real property.

Maintenance of Special Taxes. The City will not consent to or conduct proceedings with respect to a reduction in the Special Taxes that may be levied in the District below an amount, for any Fiscal Year, equal to 110% of the aggregate of the debt service due and payable with respect to the CFD Bonds in each corresponding Bond Year, plus 100% of the City's reasonable estimate of Administrative Expenses for such Bond Year; provided, however, that the City may at any time reduce the Special Taxes to the extent that the amount of Special Taxes that would result from levying the Special Taxes at such maximum amounts would result in an amount of Special Taxes in excess of the amount required to comply with such covenant.

Special Tax Methodology

The Special Tax authorized under the Act applicable to land within the District will be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate as described in the Rate and Method set forth in "APPENDIX C – Rate and Method of Apportionment of Special Taxes." Capitalized terms set forth in this section and not otherwise defined have the meanings set forth in the Rate and Method.

The Special Tax was first levied in Fiscal Year 2010-11. the CFD Bonds are the first series of bonds to be issued for the District and no additional bonds are expected to be issued

Each year the City shall cause the Special Tax to be levied in the amount of the "**Special Tax Requirement**," which is defined in the Rate and Method as the amount necessary in any Fiscal Year to (i) pay principal and interest on CFD Bonds, (ii) pay Administrative Expenses, (iii) create or replenish reserve funds, (iv) cure any delinquencies in the payment of principal or interest on indebtedness of the CFD which have occurred in the prior Fiscal Year or (based on delinquencies in the payment of the Special Tax which have already taken place) are expected to occur in the Fiscal Year in which the tax will be collected, and (v) construct or acquire Authorized Facilities. The amounts referred to in clauses (i) and (ii) of the preceding sentence may be reduced in any Fiscal Year by: (i) interest earnings on or surplus balances in funds and accounts for the CFD Bonds to the extent that such earnings or balances are available to apply against debt service pursuant to a CFD Bond indenture, CFD Bond resolution, or other legal document that sets forth these terms; (ii) proceeds received by the City from the collection of penalties associated with delinquent Special Taxes; and (iii) any other revenues available to pay debt service on the CFD Bonds as determined by the Administrator.

The table below shows the Special Tax Rates and projected Fiscal Year 2026-27 Special Tax Levy.

Special Tax Category	Number of Units / Acres		Maximum FY 2026-27 Special Tax Rate ⁽¹⁾	Projected FY 2026-27 Special Tax Rate	Projected FY 2026-27 Special Tax Levy ⁽²⁾
<u>Developed Property</u>					
Single Family Detached Property	826	Units	\$2,333.74	\$1,555.70	\$1,285,008.20
Other Property	0.0	Acres	\$15,375.20	\$0.00	\$0.00
Undeveloped Property	107.9	Acres	\$15,375.20	\$0.00	\$0.00

(1) On July 1 each fiscal year, the figures shown in the table above shall be increased by two percent of the amount in effect for the prior fiscal year.

(2) Includes estimated debt service due in 2027 on the proposed CFD Bonds of \$1,250,000 and estimated administrative expenses of \$35,000. The projected levy is subject to change if additional permits are issued before June 30, 2026.

Source: Goodwin Consulting Group, Inc.

The Special Taxes shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes, provided, however, that prepayments of the Special Tax are permitted as set forth in the Rate and Method and provided further that the City may directly bill, collect at a different time or in a different manner, and/or collect delinquent Special Taxes through foreclosure or other available methods.

Under no circumstances may the Special Tax on one Parcel in the CFD be increased by more than 10% as a consequence of delinquency or default in payment of the Special Tax levied on another Parcel or Parcels in the CFD.

The City does not intend to issue bonds in an amount which requires a Special Tax levy on Undeveloped Property under the Rate and Method. Undeveloped Property can be levied a Special Tax in the event of delinquencies on other properties anticipated to be levied a Special Tax pursuant to the Rate and Method.

Priority of Lien

The principal of and interest on the CFD Bonds are payable from the Special Tax Revenues derived from Special Taxes authorized to be collected within the District, and payment of the Special Tax is secured by a lien on taxed real property within the District. Such lien is co-equal to and independent of the lien for general taxes and any other liens imposed under the Act, regardless of when they are imposed on the property in the District. The imposition of additional special taxes, assessments and general property taxes will increase the amount of independent and co-equal liens, which must be satisfied in foreclosure. The City, the County and certain other public agencies are authorized by the Act to form other community facilities districts and improvement areas and, under other provisions of State law, to form special assessment districts, either or both of which could include all or a portion of the land within the District.

Private liens, such as deeds of trust securing loans obtained by owners of property in the District, may be placed upon property in the District at any time. Under California law, the Special Taxes have priority over all existing and future private liens imposed on property subject to the lien of the Special Taxes.

BOND INSURANCE

The following information has been furnished by the Bond Insurer for use in this Official Statement. No representation is made as to the accuracy or completeness of this information, or the absence of material adverse changes therein at any time subsequent to the date hereof. Reference is made to APPENDIX G for a specimen of the Policy.

[To come from insurer, if applicable]

THE AUTHORITY

The Authority is a joint exercise of powers authority duly organized and operating pursuant to Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code, and pursuant to a Joint Exercise of Powers Agreement dated as of January 1, 1991 by and among the City and the Redevelopment Agency of the City of Pittsburg, and is qualified to assist in financing projects and certain public improvements and to issue the Bonds under the Bond Law. The Authority has no taxing power. The Authority and the City are each separate and distinct legal entities, and the debts and obligations of one such entity are not debts or obligations of the other entity.

The Authority was established for the purpose of financing the acquisition, construction, improvement and equipping of public capital improvements. The governing board of the Authority is the City Council of the City.

THE DISTRICT

Formation of the District

On December 21, 2009 the City Council of the City formed the District and declared the necessity to incur a bonded indebtedness to finance the acquisition and construction of authorized facilities, approved the Rate and Method for the levy of Special Taxes within the District and approved a bonded indebtedness maximum in an aggregate principal amount not to exceed \$25,000,000, all pursuant to the Act. On the same day, an election was held within the District in which the Master Developer, as the then sole landowner in the District was the voter, approving the foregoing.

The CFD Bonds are the first series of bonds to be issued for the District and no additional bonds are expected to be issued.

Location and Description of the District and the Immediate Area

The District is located within the City limits south of State Highway 4 and the downtown area of the City. The predominant approved suburban land use within the City limits in the vicinity of the District is single family residential and to a lesser extent supporting commercial development. The District is a master planned community within which home sales by the Master Developer or its affiliates have occurred over the past 15 years.

A District boundary map is shown on the following page.

[Insert Map - District Boundary Map]

CFD Authorized Facilities

Authorized Facilities. The public facilities authorized to be financed by the District (the “Improvements”) primarily include public streets and water facilities necessary for development within the District. The facilities have been completed by the Master Developer of the District. The improvements have been completed and the Master Developer has been reimbursed in part for the cost thereof to date from annual Special Tax collections on a pay-as-you-go basis. The costs of the improvements not funded by that source will be funded by the CFD Bonds and thereafter the City will have no further obligation to reimburse the Master Developer.

Development in the District

Land within the District is part of the broader San Marco / Oak Hills development area in the City, where the Master Developer and their affiliates (the “Seeno Companies”) have been actively developing residential projects since the 1990s. Over that period, the Seeno Companies have built more than 2,400 homes and more than 400 apartments in the San Marco / Oak Hills area.

The District comprises a single family home community over a portion of the larger San Marco development of the Seeno Companies. Developed property within the District currently consists of 830 taxable parcels, 814 of which are homes owned by individual homeowners and 12 are homes owned by the Master Developer. The remaining 4 parcels are undeveloped and owned by the Master Developer, and are currently in preliminary planning stages expected to include future San Marco Unit 14 and Unit N. Based on the current preliminary plans of the Master Developer, Unit 14 is expected to include 64 residential lots and Unit N is expected to include 156 residential lots, although those plans remain subject to change.

For Fiscal Year 2026-27, 826 parcels to be levied are single family residences. The undeveloped parcels can be levied a Special Tax in the event of delinquencies on other properties anticipated to be levied a Special Tax.

Separately from continuing development within the District, West Coast Home Builders is currently developing Siena at San Marco Units 16 and 17, which consists of 206 residential lots and is part of the continued development of the broader San Marco area. Siena at San Marco Units 16 and 17 are being financed through the BOLD program of the California Municipal Finance Authority and are not within the District boundary.

Environmental Matters

Fire Hazard. The Fire and Resource Assessment Program of CAL FIRE has classified areas of the County by Fire Hazard Severity Zone. The property in the District has been classified as a high fire hazard severity zone, as are several proximate communities. West Coast Home Builders has incorporated building standards to comply with applicable fire zone requirements.

Seismic Risk. All properties in California are subject to some degree of seismic risk. The Alquist-Priolo Earthquake Fault Zoning Act was enacted by the State of California in 1972 to regulate development near active earthquake faults. The Act required the State Geologist to delineate “Earthquake Fault Zones” (formerly known as “Special Studies Zones”) along known active faults in California. Cities and counties affected by the identified zones must limit certain development projects within the zones unless geologic investigations demonstrate that the sites are not threatened by surface displacement from future faulting.

According to information from the California Department of Conservation and the California Geological Survey, land in the District is located within Zone 4, which is considered to be the highest risk zone in California. There are only two zones in California: Zone 4, which is assigned to areas near major faults; and Zone 3, which is assigned to all other areas of more moderate seismic activity. In addition, the land is located in a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 (revised January 1994) of the California Department of Conservation, Division of Mines and Geology. In general, a number of faults are located throughout California; thus, the area is subject to severe ground shaking during earthquakes. Competitive sites face similar seismic risk.

Flood Hazard. According to FEMA mapping (Community Panel Number 06013C-0113H, dated March 21, 2017) property in the District is in Flood Zone X, which are areas determined to be outside the 500-year flood plain.

OWNERSHIP OF PROPERTY WITHIN THE DISTRICT

The District was formed in 2010 and now is substantially built-out . Of the 830 taxable parcels in the District, 814 are homes owned by individual homeowners and 12 are homes owned by the Master Developer, with the remaining 4 parcels undeveloped and owned by the Master Developer. See Table 2 below.

The City does not intend to issue bonds in an amount which requires a Special Tax levy on Undeveloped Property. Undeveloped Property can be levied a Special Tax in the event of delinquencies on other properties anticipated to be levied a Special Tax pursuant to the Rate and Method.

Unpaid Special Taxes do not constitute a personal indebtedness of the owners of the parcels within the District. There is no assurance that the present property owners or any subsequent owners will have the ability to pay the Special Taxes or that, even if they have the ability, they will choose to pay the Special Taxes. An owner may elect to not pay the Special Taxes when due and cannot be legally compelled to do so. Neither the City nor any Bondowner will have the ability at any time to seek payment directly from the owners of property within the District of the Special Tax or the principal or interest on the Bonds, or the ability to control who becomes a subsequent owner of any property within the District.

VALUE OF PROPERTY AND VALUE-TO-LIEN RATIOS

Valuation of Property

The value of the land within the District is a critical factor in determining the investment quality of the Bonds, accordingly, in connection with valuing property in the District, the City has obtained the 2025-26 County assessed valuation (the “**Assessed Valuation**”) of the property in the District.

If a property owner defaults in the payment of a Special Tax, the City’s only remedy is to foreclose on the delinquent property in an attempt to obtain funds with which to pay the delinquent Special Taxes. See “SECURITY FOR THE BONDS – Security for the CFD Bonds – Other Covenants of the City” and “RISK FACTORS – Bankruptcy Delays.” Reductions in District property values due to a downturn in the economy, natural disasters such as earthquakes or floods, stricter land use regulations or other events could have an adverse impact on the security for payment of the Special Taxes.

A Special Tax levied on any parcel within the District is only a lien on the respective individual parcel responsible for such Special Tax. In comparing the aggregate value of the real property within the District and the principal amount of the Bonds, it should be noted that only the Assessor’s parcel of real property upon which there is a delinquent Special Tax can be foreclosed upon. All of the real property within the District cannot be foreclosed upon as a whole to pay delinquent Special Taxes unless all of the property is subject to delinquent Special Taxes. Individual parcels may be foreclosed upon to pay delinquent Special Taxes levied against such parcels only. See “SECURITY FOR THE BONDS – Security for the CFD Bonds.”

The principal amount of the Bonds will not be allocated pro rata among the parcels within the District; rather, the annual Special Taxes for the District will be billed annually for each parcel within the District. Upon the sale of developed parcels, the buyer typically acquires the property subject to the unpaid portion of any general property taxes and special taxes levied against the parcel purchased. General property taxes and special taxes levied against the parcel are not required to be removed from the property and are not required to be, but may be, paid off in full upon transfer of property or upon development of the property.

Assessed Values

Assessed Valuations. As provided by Article XIII A of the California Constitution, county assessors’ assessed values are to reflect market value as of the date the property was last assessed (or 1975, whichever is more recent), increased by a maximum of 2% per year. Properties may be reassessed by the County only upon a change of at least 51% ownership of existing property or upon new construction. The assessed values of parcels in the District thus reflect, for undeveloped parcels, the estimate of the County Assessor (the “**Assessor**”) of market value when acquired (or 1975, whichever is later), possibly increased by up to 2% per year, and for parcels on which construction has occurred since their date of acquisition, the Assessor’s estimate of market value as of the time of construction, possibly increased by up to 2% per year. The actual market value of parcels in the District, if sold at foreclosure, may be higher or lower than the Assessor’s assessed values, depending upon the date of the Assessor’s most recent assessment. The actual fair market value of any parcel can often be more accurately established through an arms-length sale or an appraisal by an independent appraiser.

Historical Assessed Values. The following table shows a recent history of assessed valuations of the property in the District.

Table 1
City of Pittsburg Public Financing Authority
Special Tax Revenue Bonds, Series 2026
Historical Assessed Values for the District
Fiscal Years 2016-17 through 2025-26⁽¹⁾

Fiscal Year	Land Value	Improvement Value	Total Assessed Value	Percentage Changed
2016-17	\$46,637,273	\$153,786,225	\$200,423,498	N/A
2017-18	61,280,870	182,678,865	243,959,735	21.7%
2018-19	75,332,240	216,787,883	292,120,123	19.7
2019-20	87,127,841	244,608,006	331,735,847	13.6
2020-21	98,283,498	275,727,797	374,011,295	12.7
2021-22	109,376,179	309,142,251	418,518,430	11.9
2022-23	146,776,274	354,665,883	501,442,157	19.8
2023-24	163,554,844	389,585,997	553,140,841	10.3
2024-25	177,025,611	425,120,102	602,145,713	8.9
2025-26	182,503,305	440,735,068	623,238,373	3.5

(1) Per the Assessor's Tax Roll, as of the January 1 lien date for the applicable fiscal year.
Sources: Contra Costa County Assessor's Office; Goodwin Consulting Group, Inc.

The total property valuation of the property in the District has been compiled using the County's assessed valuation for 2025-26. The total estimated valuation of all property in the District subject to the Special Taxes, as well as the amount of CFD Bonds and overlapping debt, for various categories of property in the combined District is as shown below.

Table 2
City of Pittsburg Public Financing Authority
Special Tax Revenue Bonds, Series 2026
Development Status and Values by Category for the District
Fiscal Year 2026-27 Using Fiscal Year 2025-26 Assessed Values

Development Status and Property Ownership ⁽¹⁾	Taxable Parcels	FY 2025-26 Assessed Value ⁽²⁾	FY 2026-27 Max Special Tax Revenues	Actual FY 2026-27 Special Tax Levy ⁽³⁾	Percent of Actual FY 2026-27 Special Tax Levy	Allocated Bonds ⁽⁴⁾	Overlapping Debt ⁽⁵⁾	Total Debt*	Average Value-to-Lien*
Developed Property									
Individual Homeowners	814	\$613,801,943	\$1,899,664	\$1,266,340	98.5%	\$24,636,804	\$241,663	\$24,878,467	24.67
Seecon Financial & Construction Co.	2	25,098	4,667	3,111	0.2	60,533	603	61,135	0.41
West Coast Home Builders Inc.	10	7,672,710	23,337	15,557	1.2	302,663	3,013	305,677	25.10
Subtotal	826	\$621,499,751	\$1,927,669	\$1,285,008	100.0%	\$25,000,000	\$245,279	\$25,245,279	24.62
Undeveloped Property ⁽⁶⁾									
West Coast Home Builders Inc.	4	\$1,738,622	\$1,658,584	\$0	0.0%	\$0	\$1,205	\$1,205	1,442.48
Total	830	\$623,238,373	\$3,586,254	\$1,285,008	100.0%	\$25,000,000	\$246,485	\$25,246,485	24.69

* Preliminary; subject to change.

(1) Ownership information per the Contra Costa County Assessor's tax roll, as of the lien date. Based on building permits issued as of March 18, 2026.

(2) Per the Contra Costa County Assessor's tax roll, as of the January 1, 2025 lien date.

(3) Includes debt service due in 2027 on the proposed Series 2026 Special Tax Bonds of \$1,250,000 and estimated administrative expenses of \$35,000. The projected levy is subject to change if additional permits are issued before June 30, 2026.

(4) Allocated based on the projected fiscal year 2026-27 special tax levy.

(5) Includes overlapping debt from the Mount Diablo Unified School District CFD No. 1. Does not include overlapping debt from general obligation and tax increment bonds.

(6) The projected fiscal year 2026-27 special tax levy does not require revenue from Undeveloped Property; therefore, no portion of the CFD debt has been allocated to Undeveloped Property in the value-to-lien calculation above. However, special taxes could, per the RMA, be levied on Undeveloped Property if such revenues were needed to meet the Special Tax Requirement. Accordingly, the value-to-lien ratio for Undeveloped Property reflects only the allocated overlapping debt.

Sources: Contra Costa County Assessor's Office; California Municipal Statistics, Inc.; Piper Sandler & Co.; Goodwin Consulting Group, Inc.

Value-to-Lien Ratios

Value-to-Lien Ratios by Category. The following table sets forth the number of parcels, composite values, actual Special Tax levy for Fiscal Year 2026-27, and total CFD Bonds and overlapping debt, based on the different value-to-lien ratios of property in the District. See “– Direct and Overlapping Governmental Liens” below.

Table 3
City of Pittsburg Public Financing Authority
Special Tax Revenue Bonds, Series 2026
Fiscal Year 2026-27 Value-to-Lien Ratios Using Fiscal Year 2025-26 Assessed Values

Value-to-Lien	Taxable Parcels	FY 2025-26 Assessed Value ⁽¹⁾	FY 2026-27 Max Special Tax Revenues	Actual FY 2026-27 Special Tax Levy ⁽²⁾	Percent of Actual FY 2026-27 Special Tax Levy	Allocated Bonds ^{*(3)}	Overlapping Debt ⁽⁴⁾	Total Debt*	Average Value-to- Lien*
Greater than 30:1	134	\$140,998,046	\$312,721	\$208,464	16.2%	\$4,055,690	\$40,378	\$4,096,068	34.42
15:1 to 30:1	638	459,029,399	1,488,926	992,537	77.2	19,309,927	188,931	19,498,859	23.54
3:1 to 15:1	52	21,447,208	121,354	80,896	6.3	1,573,850	15,368	1,589,217	13.50
Less than 3:1	2	25,098	4,667	3,111	0.2	60,533	603	61,135	0.41
Undeveloped Property ⁽⁵⁾	4	1,738,622	1,658,584	0	0.0	0	1,205	1,205	1,442.48
Total	830	\$623,238,373	\$3,586,254	\$1,285,008	100.0%	\$25,000,000	\$246,485	\$25,246,485	24.69

(1) Per the Contra Costa County Assessor's tax roll, as of the January 1, 2025 lien date.

(2) Includes debt service due in 2027 on the proposed Series 2026 Special Tax Bonds of \$1,250,000 and estimated administrative expenses of \$35,000. The projected levy is subject to change if additional permits are issued before June 30, 2026.

(3) Allocated based on the projected fiscal year 2026-27 special tax levy.

(4) Includes overlapping debt from the Mount Diablo Unified School District CFD No. 1. Does not include overlapping debt from general obligation and tax increment bonds.

(5) The projected fiscal year 2026-27 special tax levy does not require revenue from Undeveloped Property; therefore, no portion of the CFD debt has been allocated to Undeveloped Property in the value-to-lien calculation above. However, special taxes could, per the RMA, be levied on Undeveloped Property if such revenues were needed to meet the Special Tax Requirement. Accordingly, the value-to-lien ratio for Undeveloped Property reflects only the allocated overlapping debt.

Sources: Contra Costa County Assessor's Office; California Municipal Statistics, Inc.; Piper Sandler & Co.; Goodwin Consulting Group, Inc.

Delinquencies; Teeter Plan

Historical Special Tax Collections and Delinquencies. The following table summarizes the delinquency status of property in the District for the past ten fiscal years, as of June 30 in each Fiscal Year. The District currently participates in the “Teeter Plan” whereby it receives annually the full amount of its share of Special Tax levies, including delinquent property taxes. See “—Teeter Plan” below.

Table 4
City of Pittsburg Public Financing Authority
Special Tax Revenue Bonds, Series 2026
Special Tax Collections and Delinquencies for the District

Fiscal Year	Special Tax Levy	Delinquencies Following April 10th			As of May 20, 2026		
		Parcels Delinquent	Amount Delinquent	Percentage Delinquent	Parcels Delinquent	Amount Delinquent ⁽²⁾	Percentage Delinquent
2016-17	\$867,259	8	\$11,487	1.32%	0	\$0	0.00%
2017-18	999,813	7	6,835	0.68	0	0	0.00
2018-19	1,133,346	5	6,971	0.62	0	0	0.00
2019-20	1,239,313	6	8,127	0.66	1	2,032	0.16
2020-21	1,365,646	2	2,072	0.15	1	1,036	0.08
2021-22	1,496,528	6	7,398	0.49	1	1,057	0.07
2022-23	1,655,823	8	10,780	0.65	0	0	0.00
2023-24	1,770,308	11	15,394	0.87	0	0	0.00
2024-25	1,846,088	13	20,188	1.09	1	1,122	0.06
2025-26	1,889,871	11	20,592	1.09	11	20,592	1.09

(1) Delinquent amounts do not include penalties, interest, or fees. The District is a participant in the County's Teeter Plan and therefore receives 100% of the special taxes levied, regardless of delinquency status. Any penalties, interest, or other charges associated with delinquent special taxes are retained by the County and are not received by the District.

(2) The delinquent amounts reported for fiscal years 2019-20 through 2021-22 are attributable to the same parcel.

Sources: Contra Costa County Tax Collector's Office; Goodwin Consulting Group, Inc.

Teeter Plan. In 1949, the California Legislature enacted an alternative method for the distribution of property taxes to local agencies. This method, known as the “**Teeter Plan**,” is found in Sections 4701-4717 of the California Revenue and Taxation Code. Upon adoption and implementation of this method by a county board of supervisors, local agencies for which the county collects property taxes and certain other public agencies and taxing areas located in the county receive annually the full amount of their shares of property taxes and other impositions collected on the secured roll, including delinquent property taxes which have yet to be collected. While the county bears the risk of loss on unpaid delinquent taxes, it retains the penalties associated with delinquent taxes when they are paid. In turn, the Teeter Plan provides participating local agencies with stable cash flow and the elimination of collection risk.

The Board of Supervisors of Contra Costa County has adopted the Teeter Plan, and the County elects to apply its Teeter Plan to the collection of the Special Taxes annually. As such, the Teeter Plan has been applicable since the initial year of a Special Tax levy, but no assurance can be given that it will continue in any or all of the years that the CFD Bonds are outstanding. To the extent that the County's Teeter Plan continues in existence and is carried out as adopted, and to the extent the County does not discontinue the Teeter Plan with respect to the City or the District, the County's Teeter Plan may help protect owners of the CFD Bonds from the risk of delinquencies in the payment of Special Taxes. Per County policy, County staff performs an analysis each year and, if charges submitted for collection on the secured property tax roll are not supported by the underlying value of the property, the County will not include the parcel in its

Teeter Plan. Accordingly, there can be no assurance that the County will not modify or eliminate its Teeter Plan, or choose to remove individual parcels within the District from its Teeter Plan permanently in any year while the CFD Bonds are outstanding.

Effective Tax Rates; Direct and Overlapping Governmental Liens

Effective Tax Rates. Property in the District is subject to annual charges and assessments (which are billed to property owners on a semi-annual basis). The following table sets forth the total effective tax rate, based on Fiscal Year 2025-26 levies.

Table 5
City of Pittsburg Public Financing Authority
Special Tax Revenue Bonds, Series 2026
Sample Property Tax Bill and Effective Property Tax Rate for the District
Fiscal Year 2025-26

Assumptions		
Estimated Market Value ⁽¹⁾		\$754,056
Homeowner's Exemption		(\$7,000)
Net Assessed Value		\$747,056
Ad Valorem Tax Rate⁽²⁾	Rate	
Base Property Tax	1.000000%	\$7,471
BART	0.004300	\$32
BART Bond 2016	0.010900	\$81
East Bay Reg Pk Bd	0.001100	\$8
Mt Diablo 2002 Bnd	0.014600	\$109
Mt Diablo 2010 Bnd	0.043600	\$326
Mt Diablo 2018 Bnd	0.013600	\$102
Comm Coll 2002 Bnd	0.002600	\$19
Comm Coll 2006 Bnd	0.004100	\$31
Comm Coll 2014 Bnd	0.007500	\$56
Total Ad Valorem Taxes	1.102300%	\$8,235
Direct Charges⁽³⁾		
CC Wtr Levy Land		\$4
Mosquito & Vector		\$5
Emergency Med B		\$10
SW Pitt GHAD II		\$334
Fed Stormwater A12		\$30
SFBRA Pcl Tax		\$12
Pittsburg St Lt		\$102
Diablo Z2 Swr Chg		\$524
Eastbay Trails LLD		\$5
Mt. Diablo Unified School District CFD No. 1		\$67
Pittsburg CFD No. 2004-01 (San Marco)		\$905
Pittsburg CFD No. 2007-1 (Park Maintenance Services)		
Pittsburg CFD 2009-01 (San Marco) ⁽⁴⁾		\$2,288
Total Direct Charges		\$4,365
Total Taxes and Direct Charges		\$12,600
Percentage of Estimated Market Value		1.67%

(1) Represents the average assessed value for homes owned by individual homeowners within the district per the fiscal year 2025-26 Assessor's tax roll.

(2) Based on the fiscal year 2025-26 ad valorem tax rates for the tax rate area within the district. Ad valorem tax rates are subject to change in future years.

(3) Based on the fiscal year 2025-26 charges identified on the Contra Costa County-issued property tax bills. Charges subject to change in future years.

(4) Represents the maximum special tax for Developed Property for fiscal year 2025-26.

Sources: Contra Costa County Assessor's Office; Contra Costa County Tax Collector's Office; Goodwin Consulting Group, Inc.

Overlapping Public Debt. Contained within the boundaries of the District are certain overlapping local agencies providing public services and assessing property taxes, assessments, special taxes and other charges on the property in the District. Many of the local agencies that overlap with the boundaries of the District have outstanding debt. The current and estimated direct and overlapping bonded obligations affecting the property in the District are shown in the following table, which was prepared by California Municipal Statistics, Inc., and is included for general information purposes only. The City has not reviewed this report for completeness or accuracy and makes no representation in connection therewith.

Table 6
City of Pittsburg Public Financing Authority
Special Tax Revenue Bonds, Series 2026
Direct and Overlapping Bonded Debt for the District
As of June 1, 2026

2025-26 Assessed Valuation: \$623,238,373

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 6/1/26</u>	
Bay Area Rapid Transit District	0.057%	\$1,692,739	
Contra Costa Community College District	0.214	1,205,859	
Mt. Diablo Unified School District	1.063	4,181,169	
Mt. Diablo Unified School District Community Facilities District No. 1	0.822	246,485	
City of Pittsburg Community Facilities District 2009-1	100.000	0	(1)
East Bay Regional Park District	0.089	119,355	
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$7,445,607	
<u>OVERLAPPING GENERAL FUND DEBT:</u>			
Contra Costa County General Fund Obligations	0.213%	\$ 280,967	
City of Pittsburg Pension Obligation Bonds	5.775	1,315,296	
Contra Costa Mosquito and Vector Control District General Fund Obligations	0.213	15,763	
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		\$1,612,026	
Less: Contra Costa County General Fund Obligations supported by revenue funds		617	
TOTAL NET OVERLAPPING GENERAL FUND DEBT		\$1,611,409	
GROSS COMBINED TOTAL DEBT		\$9,057,633	(2)
NET COMBINED TOTAL DEBT		\$9,057,016	

Ratios to 2025-26 Assessed Valuation:

Direct Debt (\$0)	0.00%
Total Direct and Overlapping Tax and Assessment Debt.....	1.19%
Gross Combined Total Debt	1.45%
Net Combined Total Debt	1.45%

(1) Excludes issue to be sold.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics.

Property in the District is currently subject to the overlapping tax and assessment liens shown in the overlapping debt statements above. Property in the District is also subject to certain special taxes and assessments to fund services, as shown above under “– Effective Tax Rates.” Additional overlapping tax and assessment liens may be levied in the future on property in the District.

RISK FACTORS

The purchase of the Bonds described in this Official Statement involves a degree of risk that may not be appropriate for some investors. The following includes a discussion of some of the risks that should be considered before making an investment decision.

Limited Obligation to Pay Debt Service

The Bonds. The Bonds are special obligations of the Authority payable solely from and secured solely by the Revenues and funds pledged therefor in the Indenture, consisting primarily of debt service on the CFD Bonds. See “SECURITY FOR THE BONDS.”

The CFD Bonds. The CFD Bonds are limited obligation bonds under the Act and are payable solely from and are secured solely by the Special Taxes and the amounts in the Special Tax Fund and the other funds pledged to the CFD Bonds under the CFD Fiscal Agent Agreement. The City has no obligation to pay principal of or interest on the CFD Bonds if Special Tax collections are delinquent or insufficient, other than from amounts, if any, derived from the foreclosure and sale of parcels for Special Tax delinquencies. The City is not obligated to advance funds to pay debt service on the CFD Bonds.

Levy and Collection of the Special Taxes

General. The principal source of payment of principal of and interest on the CFD Bonds is the proceeds of the annual levy and collection of the Special Tax against property within the District.

Limitation on Special Tax Levy. The annual levy of the Special Tax on any parcel is limited to the maximum Special Tax rate authorized in the Rate and Method. The levy cannot be made at a higher rate even if the failure to do so means that the estimated proceeds of the levy and collection of the Special Tax, together with other available funds, will not be sufficient to pay debt service on the CFD Bonds. In addition, Pursuant to Section 53321(d) of the Act, the special tax levied against any assessor’s parcel for which an occupancy permit for private residential use has been issued may not be increased as a consequence of delinquency or default by the owner of any other assessor’s parcel within a community facilities district by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. As a result, it is possible that the City may not be able to increase the tax levy to the maximum Special Tax rate in all years. However, to the extent the City’s ability to levy the necessary amount of Special Taxes is limited by Section 53321(d) of the Act or the Rate and Method, the City believes it can levy Special Taxes on Undeveloped Property up to the maximum annual Special Tax rates.

No Relationship Between Property Value and Special Tax Levy. Because the Rate and Method is not based on property value, the levy of the Special Tax will rarely, if ever, result in a uniform relationship between the value of particular parcels of Taxable Property and the amount of the levy of the Special Tax against those parcels. Thus, there will rarely, if ever, be a uniform relationship between the value of the parcels of Taxable Property and their proportionate share of debt service on the CFD Bonds, and certainly not a direct relationship.

Factors that Could Lead to Special Tax Deficiencies. The following are some of the factors that might cause the levy of the Special Tax on any particular parcel of Taxable Property to vary from the Special Tax that might otherwise be expected:

Transfers to Governmental Entities. The number of parcels of Taxable Property could be reduced through the acquisition of Taxable Property by a governmental entity (by exercise of its rights as mortgage guarantor, or for other reasons) and failure of the government to pay the Special Tax based upon a claim of exemption or, in the case of the federal government or an agency thereof, immunity from taxation, thereby resulting in an increased tax burden on the remaining taxed parcels.

Property Tax Delinquencies. Failure of the owners of Taxable Property to pay property taxes (and, consequently, the Special Tax), or delays in the collection of or inability to collect the Special Tax by tax sale or foreclosure and sale of the delinquent parcels, could result in a deficiency in the collection of Special Taxes. For a summary of Special Tax collections in the District, see “VALUE OF PROPERTY AND VALUE-TO-LIEN RATIOS – Delinquencies; Teeter Plan.”

Delays Following Delinquencies and Foreclosure Sales. The CFD Fiscal Agent Agreement provides that the Special Tax is to be collected in the same manner as ordinary *ad valorem* property taxes are collected and, except as provided in the special covenant for foreclosure described in “SECURITY FOR THE BONDS – Security for the CFD Bonds” and in the Act, is subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for ordinary *ad valorem* property taxes. Under these procedures, if taxes are unpaid for a period of five years or more, the property is subject to sale by the County.

If sales or foreclosures of property are necessary, there could be a delay in payments to the Authority, as owner of the CFD Bonds, pending such sales or the prosecution of foreclosure proceedings and receipt by the City of the proceeds of sale. See “SECURITY FOR THE BONDS – Security for the CFD Bonds.”

Payment of Special Taxes is Not a Personal Obligation of the Property Owners

Property Owners are not personally obligated to pay their respective Special Taxes. Rather, the Special Taxes are obligations only against the respective parcels against which they are levied. If, after a default in the payment of the Special Tax and a foreclosure sale, the resulting proceeds are insufficient, taking into account other obligations also constituting a lien against the parcel, the City has no personal recourse against the parcel owner. Property owners have the ability to prepay their Special Tax obligations on a taxable parcel in the District in accordance with the Rate and Method.

Property Values

The value of Taxable Property within the District is a critical factor in determining the investment quality of the Bonds. If a parcel owner defaults in the payment of the Special Taxes, the City’s only remedy is to foreclose on the delinquent property. Assessed valuations are estimates, which vary from time to time and likely do not reflect actual market value or the amount that could be obtained in a foreclosure proceeding.

No assurance can be given that if a parcel with delinquent special taxes is foreclosed, any bid will be received for such property or, if a bid is received, that such bid will be equal to the current assessed value of the parcel set forth on the County assessor’s tax roll, or that it will be sufficient to pay delinquent special taxes.

The value of the parcels in the District in the future can be adversely affected by a variety of natural occurrences and economic circumstances, particularly those that may affect infrastructure and other public improvements and private improvements on the parcels in the District and the continued habitability and enjoyment of such private improvements. In addition, potential investors in the Bonds should review the following additional specific risk factors that could affect the value of property in the District.

Economic Downturn; Bankruptcies. Land values in and around the City have in the past been, and likely would be in the future, adversely affected by national and local economic conditions. In the event of an economic downturn, property values could remain flat and/or decrease. Declines in home values in the District could result in property owner unwillingness or inability to pay mortgage payments, as well as *ad valorem* property taxes and Special Taxes, when due. Under such circumstances, bankruptcies are likely to increase. Bankruptcy by homeowners with delinquent Special Taxes would delay the commencement and completion of foreclosure proceedings.

Mortgage Loans. Although residential projects that have their homes built and occupied by homeowners are typically viewed as providing bondholders with strong credits, some home purchasers may face challenges in making their mortgage and tax payments on a timely basis, due to their initial high loan to value ratios, creative mortgage loan structures, and/or negative equity levels, among other things. The availability of mortgage loans to homeowners, including potential buyers of homes within the District, could also affect the ability of current homeowners to resell their homes as well as the market prices available to current homeowners.

Seismic Activity. The District and surrounding area, like much of California, is subject to earthquakes or other unpredictable seismic activity. The District is located in the higher of California's two earthquake fault zones. See "THE DISTRICT – Environmental Matters."

Flood. Flood hazards in the City are associated with overbank flooding of creeks and drainage canals, dam failures or levee failures. These events could occur following a heavy rainfall event in the City.

Wildfire. Over the past decade, drought conditions in the State (see "– Droughts above") have led to increased risks of wildfire. In particular, certain electrical operators in the State have seen their distribution/transmission lines cause billions of dollars in property damage and the loss of lives. In 2023, as in several prior years, devastating wildfires were burning in California, causing wide-spread damage. No assurance can be given that wildfires will not erupt in the developments being undertaken in the District and negatively impact development of property in the District in the future. See also "Wildfires and Fire Insurance" below.

Hazardous Substances. One of the most serious risks in terms of the potential reduction in the property values is a claim with regard to a hazardous substance. In general, the owners and operators of property may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but California laws with regard to

hazardous substances are also stringent and similar. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the Taxable Property in the District be affected by a hazardous substance, is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

Although the City is not aware that the owner or operator of any of the property in the District has such a current liability, it is possible that such liabilities do currently exist. Further, it is possible that liabilities may arise in the future resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but that has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently on the parcel of a substance not presently classified as hazardous but that may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the property values that would otherwise be realized upon a delinquency.

Other Factors. Other factors that could adversely affect property values in the District include, among others, relocation of employers out of the area, shortages of water, electricity, natural gas or other utilities, and destruction of property caused by man-made disasters.

Other Possible Claims on the Property Subject to the Special Tax

While the Special Taxes are secured by the Taxable Property in the District, the security only extends to the value of such property that is not subject to priority and parity liens and similar claims. Tables listing the outstanding governmental obligations affecting the Taxable Property in the District are set forth above under “VALUE OF PROPERTY AND VALUE-TO-LIEN RATIOS – Direct and Overlapping Governmental Liens.” These tables show the other obligations on the property that is subject to the Special Tax as of the date of this Official Statement. However, other governmental obligations may be authorized and undertaken or issued in the future, the tax, assessment or charge for which may become an obligation of one or more of the parcels within the District, and may be secured by a lien on a parity with the lien of the Special Taxes securing the CFD Bonds. In addition, a homeowner in the District could participate in programs (such as PACE) that places a lien on the property equal to the lien and charge securing the outstanding CFD Bonds. The overlapping debt information in this Official Statement does not include these PACE liens, or any additional PACE liens that may have arisen.

In general, the Special Taxes, and all other taxes, assessments and charges also collected on the tax roll, are on a parity, that is, are of equal priority. Questions of priority become significant when collection of one or more of the taxes, assessments or charges is sought by some other procedure, such as foreclosure and sale. If proceedings are brought to foreclose a delinquency, the Special Taxes will generally be on parity with the other taxes, assessments and charges, and will share the proceeds of such foreclosure proceedings on a pro-rata basis.

Wildfires and Fire Insurance

In the past, drought conditions in the State (see “– Property Values and Property Development – Drought above”) have led to increased risk of wildfire. In particular, certain

electrical operators in the State have seen their distribution/transmission lines cause billions of dollars in property damage and the loss of lives. In 2023, as in several prior years, for example, devastating wildfires burned in various communities in California, causing wide-spread damage. In 2025, communities in Los Angeles County, including Pacific Palisades, Malibu and Altadena, experienced widespread devastation from wildfires causing losses of life, thousands of burned homes, and billions of dollars in property damage. Although not located in a very high fire hazard severity zone, no assurance can be given that wildfires will not erupt in the District and negatively impact development of property in the District or willingness and ability to pay property taxes in the future.

The Fire and Resource Assessment Program of CAL FIRE has classified areas of the County by Fire Hazard Severity Zone. The property in the District has been classified as a high fire hazard severity zone, as are several proximate communities. West Coast Home Builders has incorporated building standards to comply with applicable fire zone requirements.

On January 16, 2025, Governor Gavin Newsom issued Executive Order N-10-25 (the “Governor’s Order”) which canceled penalties, costs and interest on overdue property taxes (including special taxes) within certain zip codes affected by the Palisades Fire and the Altadena Fire during calendar year 2025. This will likely cause a delay in the payment of special taxes by certain property owners in any community facilities districts affected by Governor’s Order. Unless the majority of property owners within the community facilities districts pay their special taxes voluntarily or have mortgage impound accounts, it is likely that the community facilities districts will need to draw upon a reserve fund to make debt service payments on outstanding bonds prior to the expiration of the Governor’s Order and it is possible that outstanding bonds will experience a payment default. In the event of a major fire or other natural disaster affecting the District, a similar order affecting the District could impact the debt service payment for the Bonds.

Various insurance companies in the State have restricted the availability of fire insurance in the State. Should homeowners within the District be unable to obtain fire insurance, they may not be able to qualify for a mortgage, which in turn may affect the rate of home sales within the District. No assurance can be given that fire insurance will be readily available to homeowners within the District.

Public Health Emergencies

In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. Pandemic diseases arising in the future could have significant adverse health and financial impacts throughout the world, leading to loss of jobs and personal financial hardships, and/or actions by federal, State and local governmental authorities to contain or mitigate the effects of an outbreak.

Taxpayer assistance measures may include deferral of due dates of property taxes, which was an assistance program during the COVID-19 pandemic, and with or without a deferral some taxpayers may be unable to make their property and Special Tax payments. No assurance can be given that the property tax payment dates will not be deferred in the future, which may cause a delay in the receipt of Special Taxes. In addition, home values may be affected by a reduction in demand stemming from personal finances, or general widespread economic circumstances resulting from pandemic diseases.

Enforcement of Special Taxes on Governmentally Owned Properties

General. The ability of the City to foreclose the lien of delinquent unpaid Special Tax installments may be limited with regard to properties in which the Federal Deposit Insurance Corporation (the “**FDIC**”), the Drug Enforcement Agency, the Internal Revenue Service, or other federal agency has or obtains an interest.

Federal courts have held that, based on the supremacy clause of the United States Constitution, in the absence of Congressional intent to the contrary, a state or local agency cannot foreclose to collect delinquent taxes or assessments if foreclosure would impair the federal government interest.

The supremacy clause of the United States Constitution reads as follows: “This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding.”

This means that, unless Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to Special Taxes within the District, but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the City wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on a parity with the Special Taxes and preserve the federal government’s mortgage interest. In *Rust v. Johnson* (9th Circuit; 1979) 597 F.2d 174, the United States Court of Appeal, Ninth Circuit held that the Federal National Mortgage Association (“**FNMA**”) is a federal instrumentality for purposes of this doctrine, and not a private entity, and that, as a result, an exercise of state power over a mortgage interest held by FNMA constitutes an exercise of state power over property of the United States.

Neither the City nor the Authority has undertaken to determine whether any federal governmental entity currently has, or is likely to acquire, any interest (including a mortgage interest) in any of the parcels subject to the Special Taxes within the District. No assurance can be given as to the likelihood that the risks described above will materialize while the CFD Bonds are outstanding.

FDIC. If any financial institution making any loan secured by real property within the District is taken over by the FDIC, and prior thereto or thereafter the loan (or loans) goes into default, resulting in ownership of the property by the FDIC, then the ability of the City to collect interest and penalties specified by State law and to foreclose the lien of delinquent unpaid Special Taxes may be limited.

The FDIC’s policy statement regarding the payment of state and local real property taxes (the “**Policy Statement**”) provides that property owned by the FDIC is subject to state and local real property taxes only if those taxes are assessed according to the property’s value, and that the FDIC is immune from real property taxes assessed on any basis other than property value. According to the Policy Statement, the FDIC will pay its property tax obligations when they become due and payable and will pay claims for delinquent property taxes as promptly as is

consistent with sound business practice and the orderly administration of the institution's affairs, unless abandonment of the FDIC's interest in the property is appropriate. The FDIC will pay claims for interest on delinquent property taxes owed at the rate provided under state law, to the extent the interest payment obligation is secured by a valid lien. The FDIC will not pay any amounts in the nature of fines or penalties and will not pay nor recognize liens for such amounts. If any property taxes (including interest) on FDIC-owned property are secured by a valid lien (in effect before the property became owned by the FDIC), the FDIC will pay those claims. The Policy Statement further provides that no property of the FDIC is subject to levy, attachment, garnishment, foreclosure or sale without the FDIC's consent. In addition, the FDIC will not permit a lien or security interest held by the FDIC to be eliminated by foreclosure without the FDIC's consent.

The Policy Statement states that the FDIC generally will not pay non-ad valorem taxes, including special taxes and assessments, on property in which it has a fee interest unless the amount of tax is fixed at the time that the FDIC acquires its fee interest in the property, nor will it recognize the validity of any lien to the extent it purports to secure the payment of any such amounts. Special taxes imposed under the Act and a special tax formula, which determines the special tax due each year, are specifically identified in the Policy Statement as being imposed each year and therefore covered by the FDIC's federal immunity. The Ninth Circuit issued a ruling on August 28, 2001, in which it determined that the FDIC, as a federal agency, is exempt from special taxes.

The Authority and the City are unable to predict what effect the application of the Policy Statement would have in the event of a delinquency in the payment of Special Taxes on a parcel within the District, in which the FDIC has or obtains an interest, although prohibiting the lien of the Special Taxes to be foreclosed out at a judicial foreclosure sale could reduce or eliminate the number of persons willing to purchase a parcel at a foreclosure sale.

Bankruptcy Delays

The payment of the Special Taxes, and the ability of the City to foreclose the lien of a delinquent unpaid Special Tax, may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by State laws relating to judicial foreclosure.

The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the Special Taxes to become extinguished, bankruptcy of a property owner or any other person claiming an interest in the property could result in a delay in superior court foreclosure proceedings and could result in the possibility of Special Tax installments not being paid in part or in full. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the CFD Bonds, as applicable.

Disclosure to Future Purchasers

The City has recorded, in the Office of the Contra Costa County Recorder, a notice of the Special Tax lien with respect to the District. While title companies normally refer to such notices

in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider the obligations represented by the Special Taxes in the purchase of a parcel of land or a home in the District, or the lending of money secured by property in the District.

No Acceleration; Right to Pursue Remedies

Neither the Bonds nor the CFD Bonds contain a provision allowing for acceleration if a payment default or other default occurs under the Indenture or the CFD Fiscal Agent Agreement. See “APPENDIX A – Summary of Certain Provisions of Principal Legal Documents.”

Loss of Tax Exemption

As discussed under the caption “LEGAL MATTERS – Tax Matters,” interest on the Bonds might become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued as a result of future acts or omissions of the Authority in violation of its covenants in the Indenture, or of the City in violation of its covenants in the CFD Fiscal Agent Agreement.

The Indenture does not contain a special redemption feature triggered by the occurrence of an event of taxability. As a result, if interest on the Bonds were to be includable in gross income for purposes of federal income taxation, the Bonds would continue to remain outstanding until maturity unless earlier redeemed pursuant to mandatory redemption. See “THE BONDS – Redemption.”

In addition, Congress has considered in the past, is currently considering and may consider in the future, legislative proposals, including some that carry retroactive effective dates, that, if enacted, would alter or eliminate the exclusion from gross income for federal income tax purposes of interest on municipal bonds, such as the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation.

Loss of Tax-Exemption

As discussed under the caption “TAX MATTERS,” interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued, as a result of future acts or omissions of the Authority or the City in violation of their respective covenants in the Indenture or CFD Fiscal Agent Agreement. Should such an event of taxability occur, the Bonds are not subject to special redemption and will remain Outstanding until maturity or until redeemed under other provisions set forth in the Indenture.

Secondary Market for Bonds

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that any Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

Potential Early Redemption of Bonds from Prepayments

Property owners within the District are permitted to prepay their Special Tax obligation at any time. Such prepayments could also be made from the proceeds of bonds issued by or on behalf of an overlapping special assessment district or community facilities district. Such prepayments will result in a redemption of the Bonds on the interest payment date for which timely notice may be given under the Fiscal Agent Agreement following the receipt of the prepayment. The resulting redemption of Bonds that were purchased at a price greater than par could reduce the otherwise expected yield on such Bonds.

Cybersecurity

The City, like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the City is potentially subject to multiple cyber threats including, but not limited to, hacking, viruses, ransomware, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to the City's systems for the purposes of misappropriating assets or information or causing operational disruption or damage. The City has never had a major cyber breach that resulted in a financial loss.

No assurance can be given that the City's efforts to manage cyber threats and attacks will, in all cases, be successful or that any such attack will not materially impact the operations or finances of the City. The City is also reliant on other entities and service providers, such as the County for operation of the Teeter Plan or such as the Trustee in its role under the Indenture and the Dissemination Agent in connection with compliance with its disclosure undertakings. No assurance can be given that the City may not be affected by cyber threats and attacks against other entities or service providers in a manner which may affect the Bondowners, e.g., systems related to the timeliness of payments to Bondowners or compliance with disclosure filings pursuant to the continuing disclosure certificate.

Bond Insurance

Payment of claims on the Policy is dependent on the financial strength and resources of the Bond Insurer. In the event of bankruptcy or other adverse financial circumstance of the Bond Insurer the rating on the Bonds may be downgraded and/or the ability of the Bond Insurer to make payments under the Policy may be affected. In such circumstance neither the Authority or the City have an obligation to replace the Policy.

TAX MATTERS

Federal Tax Status. In the opinion of Jones Hall LLP, San Mateo, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the “**Tax Code**”) relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes “original issue discount” for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes “original issue premium” for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount and original issue premium are disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Bonds under federal individual alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond’s maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not deductible for federal income tax purposes. Owners of premium Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the Bonds, or as to the consequences of owning or receiving interest on the Bonds, as of any future date. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the Bonds, the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

CERTAIN LEGAL MATTERS

Jones Hall LLP, Bond Counsel, will render an opinion with respect to the validity of the Bonds and the enforceability of the Indenture, the form of which is set forth in "APPENDIX D – Form of Opinion of Bond Counsel." Jones Hall will also render an opinion as to the validity of the CFD Bonds and the enforceability of the CFD Fiscal Agent Agreement. Certain legal matters will also be passed upon for the City and the Authority by Jones Hall, as Disclosure Counsel. Certain legal matters will be passed upon for the City by the City Attorney.

NO LITIGATION

At the time of delivery of and payment for the Bonds and the CFD Bonds, the City Attorney will deliver an opinion that to the knowledge of the City Attorney, there is no material litigation pending or threatened against the City or the Authority concerning the validity of the Bonds or the CFD Bonds or any proceedings of the City or Authority taken with respect to the issuance thereof or security therefor, or the formation of the District.

RATINGS

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), is anticipated to assign the Insured Bonds its municipal bond rating of "____" with the understanding that upon delivery of the Bonds, a policy insuring the payment of principal and interest on the Insured Bonds will be issued by the Bond Insurer. S&P has assigned an underlying rating of "____" to the Bonds.

Such ratings reflect only the views of S&P and any desired explanation of the significance of such ratings should be obtained from S&P. Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by S&P, if in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price for the Bonds.

CONTINUING DISCLOSURE

The City has covenanted for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the District by not later than nine months after the end of the City's fiscal year (presently June 30) in each year (the "**Annual Report**") commencing with its report for the 2025-26 fiscal year (due April 1, 2027) and to provide notices of the occurrence of certain enumerated events.

These covenants have been made in order to assist the Underwriter in complying with Securities Exchange Commission Rule 15c2-12(b)(5), as amended (the "**Rule**"). The specific nature of the information to be contained in the Annual Report or the notices of listed events is set forth in "APPENDIX E – Form of Continuing Disclosure Certificate."

The City and its related governmental entities, including the Successor Agency, have previously entered into numerous disclosure undertakings under the Rule in connection with the issuance of long-term obligations. During the past five years, the City filed its audited financial statements 17 days late for one of its obligations for fiscal year 2023-24. In some instances, in accordance with the Continuing Disclosure Certificates, the City and Successor Agency filed unaudited financial statements in advance of the reporting deadlines to meet its obligations, then filed audited financial statements once available. In the previous five years, the Successor Agency has timely filed all of its audited financial statements and Annual Reports. The Successor Agency did not file a rating change notice in 2025 for Fitch Ratings for the Tax Allocation Bonds, Series 1999, which were not rated by Fitch Ratings at issuance.

MUNICIPAL ADVISOR

NHA Advisors, LLC has acted as Municipal Advisor to the City in conjunction with the issuance of the Bonds. The Municipal Advisor has assisted in matters related to the planning, structuring, execution, and delivery of the Bonds. The Municipal Advisor will receive compensation contingent upon the sale and delivery of the Bonds. The Municipal Advisor has not audited, authenticated, or otherwise independently verified the information set forth in this Official Statement, or any other related information available, with respect to accuracy and completeness of disclosure of such information.

UNDERWRITING

Piper Sandler & Co., as underwriter (the “**Underwriter**”), has agreed to purchase the Bonds at a purchase price of \$_____ (being the principal amount of the Bonds (\$_____) plus original issue premium of \$_____ and less an underwriter’s discount of \$_____).

The Underwriter may change the initial public offering prices of the Bonds from time to time. The agreement under which the Underwriter has agreed to purchase the Bonds provides that the Underwriter will purchase all the Bonds if any are purchased, and that the obligation to make such purchase is subject to certain terms and conditions set forth therein, including, among others, the approval of certain legal matters by counsel.

PROFESSIONAL SERVICES

In connection with the issuance of the Bonds, fees payable to the following professionals involved in the offering are contingent upon the issuance and delivery of the Bonds: Jones Hall LLP, as Bond Counsel and Disclosure Counsel; NHA Advisors, LLC, San Rafael, California, as municipal advisor to the Authority and the City; Best Best & Krieger LLP, as counsel to the Underwriter; Goodwin Consulting Group, Inc., as Special Tax Consultant, and The Bank of New York Mellon Trust Company, N.A., as Trustee.

EXECUTION

The execution of this Official Statement and its delivery have been duly authorized by the Board of the Authority and the City Council of the City.

CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY

By: _____
Treasurer/Controller

CITY OF PITTSBURG

By: _____
Finance Director

APPENDIX A

SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS

APPENDIX B

GENERAL INFORMATION REGARDING THE CITY OF PITTSBURG

The following information in this section of the Official Statement concerning the City of Pittsburg and surrounding areas is included only for the purpose of supplying general information regarding the community. The taxing power of the City of Pittsburg, Contra Costa County, the State of California, and any political subdivision thereof is not pledged to the payment of the Bonds. The Bonds are not a debt of the City of Pittsburg, Contra Costa County, the State of California, or any of its political subdivisions, and neither the City, the County, the State nor any of its political subdivisions is liable therefor.

General

The City. The City is located in the eastern portion of the County at the confluence of the San Joaquin and Sacramento Rivers about 40 miles northeast of San Francisco. Originally a coal shipping port, the City was founded in 1849, and incorporated in 1903 as a general law city. In the 1940's and early 1950's, the City was a major commercial and industrial center for the County and the eastern ports of the greater San Francisco Bay Area. During World War II and the Korean War it was a major military embarkation point. Today, the City is part of the second largest industrial center in the County.

The County. Situated northeast of San Francisco, the County is bounded by San Francisco and San Pablo Bays, the Sacramento River Delta, and by Alameda County on the south. Ranges of hills effectively divide the County into three distinct regions. The western portion, with its access to water, contains much of the County's heavy industry. The central section is rapidly developing from a suburban area into a major commercial and financial headquarters center. The eastern part is also undergoing substantial change, from a rural, agricultural area, to a suburban region. The County has extensive and varied transportation facilities-ports accessible to ocean-going vessels, railroads, freeways, and rapid transit lines connecting the area with Alameda County and San Francisco.

Population

The following table lists population figures for the City, the County and the State for the last five calendar years.

CITY OF PITTSBURG, CONTRA COSTA COUNTY AND STATE OF CALIFORNIA
Population Estimates as of January 1
Calendar Years 2022 Through 2026

Year	City of Pittsburg	Contra Costa County	State of California
2022	75,169	1,158,235	39,159,480
2023	75,202	1,152,728	39,167,274
2024	76,139	1,163,060	39,446,835
2025	76,922	1,167,506	39,646,907
2026	76,484	1,163,891	39,592,978

Source: State Department of Finance estimates (as of January 1).

Employment and Industry

The unemployment rate in the Oakland-Fremont-Berkeley Metropolitan Division was 4.1% in April 2026, down from a revised 4.3% in March 2026, and below the year-ago estimate of 4.3%. This compares with an unadjusted unemployment rate of 5.0% for California and 4.0% for the nation during the same period. The unemployment rate was 4.1% in Alameda County, and 4.2% in Contra Costa County.

The table below lists employment by industry group for Contra Costa County for the years 2021 to 2025.

CONTRA COSTA COUNTY Annual Averages Civilian Labor Force, Employment and Unemployment, Employment by Industry (March 2025 Benchmark)

	2021	2022	2023	2024	2025
Civilian Labor Force ⁽¹⁾	1,417,100	1,434,900	1,451,300	1,455,300	1,459,600
Employment	1,332,800	1,387,700	1,395,500	1,390,400	1,391,000
Unemployment	84,300	47,100	55,700	64,800	68,600
Unemployment Rate	5.9%	3.3%	3.8%	4.5%	4.7%
<u>Wage and Salary Employment:</u> ⁽²⁾					
Agriculture	1,700	1,900	1,800	1,500	1,300
Mining, Logging and Construction	74,500	75,900	76,000	74,400	71,300
Manufacturing	106,000	112,300	111,200	104,100	98,400
Wholesale Trade	41,100	41,500	41,200	40,400	40,100
Retail Trade	105,300	106,200	105,300	103,200	101,900
Transportation, Warehousing and Utilities	47,100	51,700	52,200	52,000	50,900
Information	24,700	25,000	25,100	24,800	24,500
Finance and Insurance	34,800	33,600	31,100	28,800	27,300
Real Estate and Rental and Leasing	17,200	18,400	18,500	18,100	17,600
Professional and Business Services	190,900	194,800	188,300	186,400	183,300
Educational and Health Services	198,500	205,800	216,800	229,700	241,000
Leisure and Hospitality	92,500	108,300	111,700	111,000	110,500
Other Services	35,600	39,200	41,500	43,000	43,800
Federal Government	13,400	13,100	13,200	13,300	12,700
State Government	35,900	33,100	34,500	36,600	36,300
Local Government	111,800	115,200	118,000	123,100	126,100
Total, All Industries ⁽³⁾	1,130,900	1,176,000	1,186,300	1,190,200	1,187,000

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: Labor Division of the California State Employment Development Department.

Principal Employers

The following table shows the principal employers in the City, as shown in the City's Comprehensive Annual Financial Report for fiscal year ending June 30, 2025.

CITY OF PITTSBURG Principal Employers

Employer	Number of Employees	Percent of Total Employment
Pittsburg Unified School District	1,290	3.2%
Los Medanos Community College	--	0.0
City of Pittsburg	324	0.8
Ramar Foods	234	0.6
Walmart	217	0.5
WinCo Foods	168	0.4
Home Depot	163	0.4
McC Campbell Analytical, Inc.	129	--
Corteva (formerly DOW Chemical Company)	125	0.3
Safeway	125	0.3

Source: City Of Pittsburg, Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025.

Major Employers

The table below lists the major employers in the County, listed alphabetically.

CONTRA COSTA COUNTY Major Employers May 2026

Employer Name	Location	Industry
Bart	Richmond	Transit Lines
Bio-Rad Laboratories Inc	Hercules	Physicians & Surgeons Equip & Supls-Mfrs
C & H Sugar	Crockett	Sugar Refiners (mfrs)
Chevron Global Downstream LLC	San Ramon	Management Services
Contra Costa County Health Svc	Martinez	Government Offices-County
Contra Costa Regional Med Ctr	Martinez	Hospitals
Crash Champions Collision	Concord	Automobile Body-Repairing & Painting
Fresenius Manufacturing	Concord	Physicians & Surgeons Equip & Supls-Mfrs
Home & Hospital Program	Concord	Educational Service-Business
John Muir Health Concord Med	Concord	Hospitals
Kaiser Permanente Antioch Med	Antioch	Hospitals
Kaiser Permanente Martinez Med	Martinez	Clinics
Kaiser Permanente Park	Walnut Creek	Physicians & Surgeons
Kaiser Permanente Walnut Creek	Walnut Creek	Hospitals
La Raza Market	Richmond	Grocers-Retail
Los Medanos College	Pittsburg	Junior-Community College-Tech Institutes
Macias Gini & O'Connell LLP	Walnut Creek	Accountants
Martinez Arts Outpatient Clnic	Martinez	Physicians & Surgeons
Martinez Refining Co LLC	Martinez	Crude Oil-Petroleum Refineries
Nordstrom	Walnut Creek	Department Stores
Oakley Union School District	Oakley	School Districts
Phillips 66 Sn Francisco Rfnry	Rodeo	Crude Oil-Petroleum Refineries
Robert Half	San Ramon	Employment Agencies & Opportunities
San Ramon Regional Medical Ctr	San Ramon	Hospitals
Sutter Delta Medical Ctr	Antioch	Hospitals

Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2026 1st edition.

Commercial Activity

Summaries of the historic taxable sales within the City and the County during the past five years in which data is available are shown in the following tables. Annual figures for calendar year 2025 are not yet available.

Total taxable sales during calendar year 2025 in the City were reported to be \$970.7 million a 3.24% decrease from the total taxable sales of \$1,003.2 million reported during the first three quarters of calendar year 2024.

CITY OF PITTSBURG
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2020	747	\$577,920	1,229	\$854,155
2021	797	677,233	1,283	963,315
2022	844	667,740	1,319	1,225,633
2023	825	640,633	1,285	1,101,816
2024	831	626,885	1,327	1,003,156

Source: State Department of Tax and Fee Administration.

Total taxable sales during calendar year 2025 in the County were reported to be \$22.0 billion a 0.34% decrease from the total taxable sales of \$22.1 billion reported during calendar year 2024.

CONTRA COSTA COUNTY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2020	15,832	\$13,144,244	27,445	\$18,043,575
2021	15,000	14,956,873	26,049	21,057,354
2022	15,240	15,790,210	26,633	22,521,022
2023	15,036	15,639,934	26,351	22,373,010
2024	15,185	15,677,469	26,776	22,091,501

Source: State Department of Tax and Fee Administration.

Construction Activity

The following tables show a five-year summary of the valuation of building permits issued in the City and the County.

CITY OF PITTSBURG Building Permit Valuation (Valuation in Thousands of Dollars)

	2020	2021	2022	2023	2024
<u>Permit Valuation</u>					
New Single-family	\$19,937.1	\$39,886.5	\$16,745.4	\$51,559.8	\$9,351.1
New Multi-family	15,253.6	67,002.9	3,320.4	0.0	0.0
Res. Alterations/Additions	<u>2,235.9</u>	<u>1,079.4</u>	<u>5,437.2</u>	<u>3,529.5</u>	<u>4,401.3</u>
Total Residential	37,426.6	107,968.8	25,503.0	55,089.3	13,752.4
New Commercial	14,736.8	2,294.0	11,750.0	1,276.2	11,276.2
New Industrial	31,644.7	0.0	0.0	0.0	0.0
New Other	2,350.0	342.9	2,298.7	591.3	2,150.7
Com. Alterations/Additions	<u>8,840.0</u>	<u>480.4</u>	<u>5,507.2</u>	<u>2,853.4</u>	<u>2,571.6</u>
Total Nonresidential	57,571.5	3,117.3	19,555.9	4,720.9	15,998.50
<u>New Dwelling Units</u>					
Single Family	101	198	84	133	53
Multiple Family	<u>84</u>	<u>434</u>	<u>16</u>	<u>0</u>	<u>0</u>
TOTAL	185	632	100	133	53

Source: Construction Industry Research Board, Building Permit Summary.

CONTRA COSTA COUNTY Building Permit Valuation (Valuation in Thousands of Dollars)

	2020	2021	2022	2023	2024
<u>Permit Valuation</u>					
New Single-family	\$458,503.6	\$605,008.9	\$492,220.0	\$509,605.9	\$318,793.4
New Multi-family	203,967.0	273,036.5	180,263.9	180,831.9	129,381.8
Res. Alterations/Additions	<u>213,069.9</u>	<u>264,419.4</u>	<u>330,704.1</u>	<u>346,446.8</u>	<u>290,840.2</u>
Total Residential	875,540.5	1,142,464.8	1,003,188.0	1,036,884.6	739,015.4
New Commercial	175,260.2	147,251.4	92,978.3	39,853.5	43,667.9
New Industrial	50,551.2	486.2	2,510.0	3,542.1	0.0
New Other	55,865.5	89,392.6	139,806.0	258,149.1	160,331.3
Com. Alterations/Additions	<u>142,395.8</u>	<u>144,697.4</u>	<u>271,701.4</u>	<u>316,831.5</u>	<u>331,519.4</u>
Total Nonresidential	424,072.7	381,827.6	506,995.7	618,376.2	535,518.6
<u>New Dwelling Units</u>					
Single Family	1,525	2,229	1,646	1,497	1,015
Multiple Family	<u>1,243</u>	<u>1,695</u>	<u>924</u>	<u>950</u>	<u>269</u>
TOTAL	2,768	3,924	2,570	2,447	1,284

Source: Construction Industry Research Board, Building Permit Summary.

Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and non-tax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), non-tax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the total effective buying income for the City, the County, the State and the United States for the period 2022 through 2026.

CITY OF PITTSBURG, CONTRA COSTA COUNTY, AND THE STATE OF CALIFORNIA Effective Buying Income As of January 1, 2022 through 2026

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2022	City of Pittsburg	\$2,228,261	\$75,695
	Contra Costa County	57,555,435	98,409
	California	1,452,426,153	77,058
	United States	11,208,582,541	64,448
2023	City of Pittsburg	\$2,415,703	\$81,787
	Contra Costa County	57,205,397	98,536
	California	1,461,799,662	77,175
	United States	11,454,846,397	65,326
2024	City of Pittsburg	\$2,451,327	\$83,254
	Contra Costa County	57,949,909	101,689
	California	1,510,708,521	80,973
	United States	11,987,185,826	67,876
2025	City of Pittsburg	\$2,511,523	\$87,811
	Contra Costa County	58,695,221	103,380
	California	1,557,429,767	82,725
	United States	12,525,577,707	69,687
2026	City of Pittsburg	\$2,925,416	\$92,946
	Contra Costa County	64,568,804	113,062
	California	1,730,654,738	90,403
	United States	13,932,177,817	75,433

Source: Claritas, LLC.

Education

The City of Pittsburg is served by three different school districts: Pittsburg Unified School District, Antioch Unified School District and Mt. Diablo Unified School District. The Pittsburg Unified School District operates eight elementary schools, three junior high schools, one comprehensive high school, one alternative education high school, adult education, independent study, alternative learning experiences and early childhood education services. The Antioch Unified School District operates thirteen elementary schools, four middle schools, two comprehensive high schools, three specialized high schools, and one K-8 school. They also offer a home schooling program, adult education courses, and other programs to fit the needs of all students. Mt. Diablo operates thirty elementary schools, nine middle schools, five high schools, and two adult education centers. In addition there is also a community college, Los Medanos College.

Transportation

Pittsburg is easily accessible via state Highway 4 and also by the Bay Area Rapid Transit system ("BART"), a regional heavy-rail public transit system that provides rapid commuter service connecting the San Francisco Bay Area's major cities and suburban communities, including Pittsburg and Antioch. Tri Delta Transit provides the local bus service in the Pittsburg area.

APPENDIX C
RATE AND METHOD OF APPORTIONMENT OF
SPECIAL TAXES

APPENDIX D

FORM OF BOND COUNSEL OPINION

_____, 2026

Board of Directors
City of Pittsburg Public Financing Authority
65 Civic Avenue
Pittsburg, California 94565

OPINION: \$_____ City of Pittsburg Public Financing Authority Special Tax
Revenue Bonds, Series 2026

Members of the Authority:

We have acted as bond counsel to the City of Pittsburg Public Financing Authority (the "Authority") in connection with the delivery by the Authority of the above-referenced bonds (the "Bonds"), issued pursuant to the provisions of the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Bond Law"), and pursuant to an Indenture of Trust dated as of September 1, 2026 (the "Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee. We have examined the Bond Law, an executed copy of the Indenture and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Authority contained in the Indenture and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Authority is duly created and validly existing as a public body, corporate and politic, with the power to adopt the resolution authorizing the issuance of the Bonds, enter into the Indenture and perform the agreements on its part contained therein, and to issue the Bonds.
2. The Bonds have been duly authorized, executed and delivered by the Authority and are valid and binding limited obligations of the Authority, payable solely from the sources provided therefor in the Indenture.
3. The Indenture has been duly entered into by the Authority and constitutes a valid and binding obligation of the Authority enforceable upon the Authority.

4. Pursuant to the Bond Law, the Indenture creates a valid lien on the funds pledged by the Indenture.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence are subject to the condition that the Authority and the City comply with all requirements of the Internal Revenue Code of 1986, as amended, relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. Each of the Authority and the City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

Interest on the Bonds may be subject to the corporate alternative minimum tax. We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$ _____
**CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY
SPECIAL TAX REVENUE BONDS
SERIES 2026**

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the City of Pittsburgh (the “City”) in connection with the issuance by the Authority of the bonds captioned above (the “Bonds”). The Bonds are being issued pursuant to the provisions of the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the “Bond Law”), and under an Indenture of Trust, dated as of September 1, 2026 (the “Indenture”), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”).

The City hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

Section 2. Definitions. In addition to the definitions set forth above and in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Annual Report Date*” means April 1 of each year.

“*Dissemination Agent*” means Goodwin Consulting Group, Inc. or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“*Listed Events*” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“*Official Statement*” means the final official statement executed by the City in connection with the issuance of the Bonds.

“*Participating Underwriter*” means Piper Sandler & Co., the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing April 1, 2027, with the report for the 2025-26 Fiscal Year, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate; provided, that the first Annual Report shall consist solely of this Official Statement and the financial statements of the City for Fiscal Year 2025-26. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice of failure to file.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) The audited financial statements of the City, together with the following statement:

THE CITY'S ANNUAL FINANCIAL STATEMENTS ARE PROVIDED SOLELY TO COMPLY WITH THE SECURITIES EXCHANGE COMMISSION STAFF'S INTERPRETATION OF RULE 15c2-12. NO FUNDS OR ASSETS OF THE CITY OR THE AUTHORITY OTHER THAN THOSE PLEDGED UNDER THE INDENTURE ARE REQUIRED TO BE USED TO PAY DEBT SERVICE ON THE BONDS, AND NEITHER THE CITY NOR THE AUTHORITY ARE OBLIGATED TO ADVANCE AVAILABLE FUNDS FROM ANY SOURCE TO COVER ANY DELINQUENCIES. INVESTORS SHOULD NOT RELY ON THE FINANCIAL CONDITION OF

THE CITY OR THE AUTHORITY IN EVALUATING WHETHER TO BUY, HOLD OR SELL THE Bonds.

The audited financial statements shall be prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Outstanding principal amount of the Authority's Bonds as of the end of the most recent Fiscal Year.

(c) The following additional items relating to the District:

(i) Outstanding principal amount of the CFD Bonds as of the end of the most recent Fiscal Year.

(ii) Balance of the Reserve Fund (or amount available under the Reserve Policy, if applicable), and a statement of the Reserve Requirement, as of September 1 of the current Fiscal Year.

(iii) A table showing assessed values (per the County Assessor's records), special taxes levied and value to lien ratios (direct debt only) for taxable property levied a special tax for the current Fiscal Year, substantially in the form contained in Table 1 to the Official Statement.

(iv) A table showing a history of special tax collections and delinquencies (per the County Assessor's records) for the current Fiscal Year substantially in the form contained in Table 4 to the Official Statement.

(v) The amount of prepayments of the Special Taxes for the most recently completed Fiscal Year.

(vi) Annual information required to be filed by the City with the California Debt and Investment Advisory Commission pursuant to the CFD Act and relating generally to outstanding District bond amounts, fund balances, assessed values, special tax delinquencies and foreclosure information.

(d) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the City shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(e) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person.
- (13) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material (for the definition of "financial obligation," see clause (e)).
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties (for the definition of "financial obligation," see clause (e)).

(b) Whenever the City obtains knowledge of the occurrence of a Listed Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14) and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with

respect to certain notices, determinations or other events affecting the tax status of the Bonds. The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the City obtains knowledge of the occurrence of any of these Listed Events, the City will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the City will cause a notice to be filed as set forth in paragraph (b) above. The Dissemination Agent shall not be responsible for determining whether an event is material.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(e) For purposes of Section 5(a)(15) and (16), "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Goodwin Consulting Group. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first Annual Report filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to this Disclosure Certificate modifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Listed Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. (a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers,

directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder, and shall not be deemed to be acting in any fiduciary capacity for the City, the Bond holders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: _____, 2026

CITY OF PITTSBURG

By: _____
Finance Director

APPENDIX F

DTC AND THE BOOK-ENTRY-ONLY SYSTEM

The following description of the Depository Trust Company (“DTC”), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the issuer of the Bonds (the “Issuer”) nor the trustee, fiscal agent or paying agent appointed with respect to the Bonds (the “Agent”) take any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust

companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC is rated "AA+" by Standard & Poor's. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices will be sent to DTC. If less than all of the Securities within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon

as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal, redemption price and interest payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption price and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

APPENDIX G

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

INDENTURE OF TRUST

between

CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee**

Dated as of September 1, 2026

**\$ _____
CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY
SPECIAL TAX REVENUE BONDS
SERIES 2026**

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Exhibit A FORM OF BOND

INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this "Indenture"), dated as of September 1, 2026, is between the CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (the "Authority") and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee").

BACKGROUND:

1. The Authority is a joint exercise of powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act") whose members are the City and the Successor Agency to the Redevelopment Agency of the City of Pittsburg, and the Authority is authorized pursuant to Article 4 of the Act (the "Bond Law") to issue bonds to finance the cost of public capital improvements.

2. The Authority is authorized pursuant to Article 4 (commencing with Section 6584) of the Act to issue bonds for the purpose of purchasing bonds of the City to assist the City in financing public capital facilities.

3. Pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Mello-Roos Act") the City of Pittsburg has formed Community Facilities District 2009-01 (San Marco), City of Pittsburg, County of Contra Costa, State of California (the "District") located within the City.

4. The City has determined to cause the District to finance authorized public facilities (the "Facilities") under the provisions of the Mello-Roos Act, and has issued the City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds, Series 2026 in the principal amount of \$_____ (the "Local Obligations").

5. The Authority has determined to issue its City of Pittsburg Public Financing Authority Special Tax Revenue Bonds, Series 2026 (the "Bonds") in the aggregate principal amount of \$_____ pursuant to the Bond Law and secured as set forth in this Indenture in the manner provided herein, to purchase the Local Obligations and designate the payments received thereon as security for the Bonds.

6. The City previously caused publication of a notice of a public hearing on the financing of the Facilities once at least five days prior to the hearing in a newspaper of general circulation in the City, held the required public hearing and made the required findings of significant public benefit, as required by the Bond Law, and the City has determined that the consummation of the transactions contemplated in this Indenture will result in significant public benefits and has approved the issuance of the Bonds by the Authority for the purpose of providing funds to purchase the Local Obligations.

7. In order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and to secure the payment of the principal thereof and interest thereon, the Authority has authorized the execution and delivery of this Indenture.

8. The Authority hereby certifies that all acts and proceedings required by law necessary to make the Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of the Indenture have been in all respects duly authorized.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and premium (if any) on all Bonds at any time issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Local Obligations by the Authority and acceptance of the Bonds by the Owners thereof, and for other valuable considerations, the receipt and sufficiency of which is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS; AUTHORIZATION AND PURPOSE OF BONDS; EQUAL SECURITY

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this Section will for all purposes of this Indenture and of any Supplemental Indenture and of the Bonds and of any certificate, opinion, request or other documents herein mentioned have the meanings herein specified.

“Act” means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State, as it may hereafter be amended from time to time.

“Additional Bonds” has the meaning given that term in Section 5.6 in reference to refunding bonds.

“Administrative Expenses” means any or all of the following: the expenses of the Authority in carrying out its duties hereunder, including the fees and expenses charged by the Authority and of its counsel and consultants, an allocable share of the salaries of Authority staff and its consultants directly related thereto and a proportionate amount of Authority general administrative overhead related thereto (if applicable), any amounts paid by the Authority from its general funds for the benefit of the Bonds, the fees and expenses of the Trustee (including any fees or expenses of its counsel), and all other costs and expenses of the Authority or the Trustee incurred in connection with the issuance and administration of the Bonds and the Local Obligations and/or the discharge of their respective duties hereunder, in any way related to the administration of the Bonds. Administrative Expenses shall include any such expenses incurred in prior years but not yet paid, and any advances of funds by the Authority for Administrative Expenses.

“Annual Debt Service” means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Bonds in such Bond Year, and (b) the principal amount of the Outstanding Bonds scheduled to be paid in such Bond Year.

“Authority” means the City of Pittsburg Public Financing Authority, a joint exercise of powers agency established pursuant to the laws of the State and that certain Joint Exercise of Powers Agreement, originally entered into as of January 1, 1991 between the City and the Redevelopment Agency of the City of Pittsburg (now succeeded by the Successor Agency to the Redevelopment Agency of the City of Pittsburg), as may be amended from time to time.

“Authorized Officer” means the Executive Director, the Treasurer, or any other Person authorized by the Authority to perform an act or sign a document on behalf of the Authority for purposes of this Indenture.

“Beneficial Owners” means the actual purchasers of the Bonds whose ownership interests are recorded on the books of the DTC Participants.

“Bond Counsel” means Jones Hall LLP, and its successors; or any other attorney at law or firm of attorneys selected by the Authority, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political

subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

“Bond Law” means the Marks Roos Local Bond Pooling Act of 1985, constituting Article 4 of the Act (commencing with Section 6584), as it may hereafter be amended from time to time.

“Bond Register” means the registration books for the Bonds maintained by the Trustee in accordance with Section 2.8.

“Bonds” means the Authority’s Special Tax Revenue Bonds, Series 2026 authorized by, and at any time Outstanding, pursuant to the Bond Law and this Indenture, and any Additional Bonds issued hereunder.

“Bond Year” means each twelve-month period extending from September 2 in one calendar year to September 1 of the succeeding calendar year, except in the case of the initial Bond Year which will be the period from the Closing Date to September 1, 2027, both dates inclusive.

“Business Day” means a day which is not a Saturday or Sunday or a day of the year on which the New York Stock Exchange or banks in New York, New York or San Francisco, California, or where the Trust Office is located, are not required or authorized to remain closed.

“CDIAC” means the California Debt and Investment Advisory Commission of the office of the State Treasurer of the State of California or any successor agency or bureau thereto.

“Certificate of the Authority” means a certificate in writing signed by an Authorized Officer of the Authority.

“City” means the City of Pittsburg, a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State.

“Closing Date” means the date on which the Original Purchaser purchases the Bonds, being September ___, 2026.

“Code” means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated, and applicable official guidance published, under the Code.

“Costs of Issuance” means the costs and expenses incurred in connection with the issuance and sale of the Bonds and the Local Obligations, and the acquisition of the Local Obligations by the Authority, including the acceptance and initial annual fees and expenses (including legal fees and expenses) of the Trustee, legal fees and expenses, rating agency fees and expenses, bond and reserve insurance, costs of printing the Bonds and the preliminary and final Official Statements, fees of financial consultants, and other fees and expenses set forth in a Request of the Authority.

“Costs of Issuance Fund” means the fund by that name established in Section 3.4.

“Dated Date” means the Closing Date.

“District” means Community Facilities District 2009-01 (San Marco), City of Pittsburg, County of Contra Costa, State of California.

“DTC” means The Depository Trust Company, and its successors and assigns.

“DTC Participants” means securities brokers and dealers, banks, trust companies, clearing corporations and other organizations maintaining accounts with DTC.

“Event of Default” means any of the events described in Section 9.1.

“Fair Market Value” means, with respect to any investment, the price at which a willing buyer would purchase such investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm's length transaction (as described above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security - State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the Authority and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

“Federal Securities” means any of the following:

- (a) Cash (insured at all times by the Federal Deposit Insurance Corporation).
- (b) Obligations of, or obligations guaranteed as to principal and interest by, the U.S. or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S. including:
 - U.S. treasury obligations
 - All direct or fully guaranteed obligations
 - Farmers Home Administration
 - General Services Administration
 - Guaranteed Title XI financing
 - Government National Mortgage Association (GNMA)
 - State and Local Government Series

“Fiscal Agent Agreement” means the Fiscal Agent Agreement dated September 1, 2026 by and between the City, on behalf of the District, and The Bank of New Mellon Trust Company, N.A., as fiscal agent thereunder for the Local Obligations.

“Fiscal Year” means any twelve-month period extending from July 1 in one calendar year to June 30 of the succeeding calendar year, both dates inclusive, or any other twelve-month period selected and designated by the Authority as its official fiscal year period.

“Indenture” means this Indenture of Trust, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture.

“Independent Financial Consultant” means any financial consultant or firm of such consultants appointed and paid by the Authority or the City, and who, or each of whom –

- (a) is in fact independent and not under domination of the Authority or the City;
- (b) does not have any substantial interest, direct or indirect, in the Authority or the City; and
- (c) is not an officer or employee of the Authority or the City, but who may be regularly retained to make annual or other audits of the books of or reports to the Authority or the City.

“Interest Account” means the account by that name established and held by the Trustee pursuant to Section 4.2(a).

“Interest Payment Date” means March 1 and September 1 in each year, beginning March 1, 2027, and continuing thereafter so long as any Bonds remain Outstanding.

“Local Obligations” means the City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds, Series 2026.

“Local Obligations Fiscal Agent” means The Bank of New Mellon Trust Company, N.A., as fiscal agent under the Fiscal Agent Agreement.

“Maximum Annual Debt Service” means, as of the date of any calculation, the largest Annual Debt Service on a Series during the current or any future Bond Year.

“Original Purchaser” means, with respect to the Bonds, Piper Sandler & Co.

“Outstanding”, when used as of any particular time, means (subject to the provisions of Section 10.7) all Bonds theretofore executed and issued by the Authority and authenticated and delivered by the Trustee under this Indenture except –

- (a) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;
- (b) Bonds paid or deemed to have been paid within the meaning of Section 10.3 or Bonds called for redemption for which funds have been provided as described herein; and
- (c) Bonds in lieu of or in substitution for which other Bonds will have been executed, issued and delivered pursuant to this Indenture or any Supplemental Indenture.

“Owner” or “Bond Owner”, when used with respect to any Bond, means the person in whose name the ownership of such Bond will be registered on the Bond Register.

“Permitted Investments” means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein, but only to the extent that the same are acquired at Fair Market Value:

- (a) Federal Securities;
- (b) any of the following direct or indirect obligations of the following agencies of the United States of America: (i) direct obligations of the Export-Import Bank; (ii) certificates of beneficial ownership issued by the Farmers Home Administration; (iii) participation certificates issued by the General Services Administration; (iv) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation or the Federal Housing Administration; (v) project notes issued by the United States Department of Housing and Urban Development; and (vi) public housing notes and bonds guaranteed by the United States of America;
- (c) interest-bearing demand or time deposits (including certificates of deposit) or deposit accounts in federal or state-chartered savings and loan associations or in federal or State of California banks (including the Trustee and its affiliates), provided that the unsecured short-term obligations of such commercial bank or savings and loan association will be rated in the highest short-term rating category by any Rating Agency;
- (d) commercial paper rated at the time of purchase in the highest short-term rating category by any Rating Agency, issued by corporations which are organized and operating within the United States of America, and which matures not more than 180 days following the date of investment therein;
- (e) bankers acceptances, consisting of bills of exchange or time drafts drawn on and accepted by a commercial bank whose short-term obligations are rated in the highest short-term rating category by any Rating Agency or whose long-term obligations are rated A or better by each such Rating Agency, which mature not more than 270 days following the date of investment therein;
- (f) obligations the interest on which is excludable from gross income pursuant to Section 103 of the Tax Code and which are either (a) rated A or better by any Rating Agency or (b) fully secured as to the payment of principal and interest by Federal Securities;
- (g) obligations issued by any corporation organized and operating within the United States of America having assets in excess of Five Hundred Million Dollars (\$500,000,000), which obligations are rated A or better by any Rating Agency;
- (h) money market funds (including money market funds for which the Trustee, its affiliates or subsidiaries provide investment advisory or other management services) which invest in Federal Securities or which are rated in the highest rating category by any Rating Agency;
- (i) any investment agreement, repurchase agreement or other investment instrument which represents the general unsecured obligations of a bank, investment banking firm or other financial institution whose long-term obligations are rated at the time

of delivery of the investment agreement, repurchase agreement or other investment instrument A or better by any Rating Agency;

(j) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California that invests exclusively in investments permitted by Section 53601 of Title 5, Division 2, Chapter 4 of the California Government Code, as it may be amended (California Asset Management Program); and

(k) the Local Agency Investment Fund of the State, created pursuant to Section 16429.1 of the California Government Code.

“Prepayment” means moneys received by the Authority from the prepayment of Local Obligations.

“Principal Account” means the account by that name established and held by the Trustee pursuant to Section 4.2(a).

“Qualified Reserve Fund Credit Instrument” means an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company and deposited with the Trustee pursuant to Section 4.3, provided that all of the following requirements are met: (i) the long-term credit rating of such bank or insurance company is rated in at least the “AA” category (without regard to qualifier) by S&P or Moody’s; (ii) such letter of credit or surety bond has a term of at least twelve (12) months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released pursuant to Section 4.3; and (d) the Trustee is authorized pursuant to the terms of such letter of credit or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Bond Fund for the purpose of making payments required pursuant to Section 4.3.

“Rebate Fund” means the fund by that name established pursuant to Section 3.6.

“Record Date” means, with respect to any Interest Payment Date, the 15th calendar day of the month preceding the month in which such Interest Payment Date occurs, whether or not such day is a Business Day.

“Representation Letter” means the representation letter dated as of the Closing Date for the Bonds among the Authority, the Trustee and DTC.

“Request of the Authority” means a written request executed by an Authorized Officer of the Authority.

“Reserve Fund” means the fund by that name established and held by the Trustee pursuant to Section 3.5 and administered pursuant to Section 4.3.

“Reserve Requirement” means initially \$_____, and thereafter an amount which is equal to the lesser of (a) Maximum Annual Debt Service on the Bonds, (b) 125% of Average Annual Debt Service for the Bonds, (c) 10% of the original principal amount of the Bonds (or, if the Bonds have more than a de minimis amount of original issue discount or premium, 10% of the issue price of the Bonds); provided, that the Reserve Requirement for the Bonds shall not increase after the date of issuance of the Bonds; in no event shall the City be obligated to deposit

an amount in any reserve account in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, if the amount of any such deposit is so limited, the Reserve Requirement shall be only the amount of such deposit as permitted by the Code; and the City may meet all or a portion of the Reserve Requirement with respect to any series of Bonds by depositing a Qualified Reserve Fund Credit Instrument.

“Responsible Officer” means any officer of the Trustee assigned to administer the Trustee’s duties under this Indenture.

“Revenue Fund” means the fund by that name established and held by the Trustee pursuant to Section 4.2.

“Revenues” means: (a) all amounts received from the Local Obligations; (b) any proceeds of the Bonds originally deposited with the Trustee and all moneys deposited and held from time to time by the Trustee in the Revenue Fund and Reserve Fund established hereunder with respect to the Bonds; and (c) investment income with respect to any moneys held by the Trustee in the Revenue Fund and Reserve Fund established hereunder with respect to the Bonds.

“S&P” means S&P Global Ratings Inc., and its successors.

“Securities Depositories” means DTC, and, in accordance with then current guidelines of the Securities and Exchange Commission, such other securities depositories as the Authority designates in a written notice filed with the Trustee.

“Special Tax Administrator” means Goodwin Consulting Group, Inc., Sacramento, California, or any other entity which may at any time be substituted in its place by the City in connection with the Special Taxes.

“Special Tax” means, the “Special Tax” defined in the Fiscal Agent Agreement.

“State” means the State of California.

“Supplemental Indenture” means any indenture, agreement or other instrument hereafter duly executed by the Authority in accordance with the provisions of Article VII.

“Trust Office” means the corporate trust office of the Trustee in Los Angeles, California, or such other office designated by the Trustee from time to time, except that with respect to presentation of Bonds for payment or for registration of transfer and exchange such term will mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business will be conducted.

“Trustee” means The Bank of New York Mellon Trust Company, N.A., and its successors and assigns, and any other corporation or association which may at any time be substituted in its place as provided in Article VII.

Section 1.2. Rules of Construction. All references in this Indenture to “Articles,” “Sections,” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; and the words “herein,” “hereof,” “hereunder,” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision.

Section 1.3. Authorization and Purpose of Bonds. The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and has found, as a result of such review, and hereby finds and determines, that all things, conditions and acts required by law to exist, happen and/or be performed precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Authority is now authorized under the Bond Law and each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture. Accordingly, the Authority hereby authorizes the issuance of the Bonds pursuant to the Bond Law and this Indenture for the purpose of providing funds to acquire the Local Obligations.

Section 1.4. Equal Security. In consideration of the acceptance of the Bonds by the Owners thereof, this Indenture will be deemed to be and will constitute a contract between the Authority and the Owners from time to time of the Bonds; and the covenants and agreements herein set forth to be performed on behalf of the Authority will be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over other Bonds by reason of the number or date thereof or the time of sale, execution or delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

ARTICLE II

ISSUANCE OF BONDS

Section 2.1. Terms of Bonds. The Bonds authorized to be issued by the Authority under and subject to the Bond Law and the terms of this Indenture will be dated the Closing Date and be designated as follows the “City of Pittsburgh Public Financing Authority Special Tax Revenue Bonds, Series 2026,” which will be issued in the original aggregate principal amount of \$_____; provided, however, that prior to delivery of the Bonds each of the following must be delivered to the Trustee:

(a) A copy of the resolution adopted by the Authority approving this Indenture and the execution and delivery by the Authority of this Indenture, duly certified by an Authorized Officer to have been duly adopted by the Authority and to be in full force and effect on the date of such certification;

(b) A written order containing instructions as to the delivery of the Bonds;

(c) The proceeds of sale of the Bonds;

(d) An original executed counterpart of this Indenture; and

(e) The Local Obligations registered in the name of the Trustee.

The Bonds will be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof, so long as no Bond will have more than one maturity date. The Bonds will mature on September 1 in each of the years and in the amounts, and will bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rates, as follows:

Maturity Date (Sept. 1)	Principal Amount	Interest Rate	CUSIP[†] (Base: _____)

T – Term Bonds.

Interest on the Bonds will be payable on each Interest Payment Date to the person whose name appears on the Bond Register as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed on such Interest Payment Date by first class mail, postage prepaid, to the Owner at the address of such Owner as it appears on the Bond Register or by wire transfer to an account in the United States of America made on such Interest Payment Date upon instructions of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds of a series provided to the Trustee in writing at least five (5) Business Days before the Record Date for such Interest Payment Date. Principal of and premium (if any) on any Bond will be paid upon presentation and surrender thereof, at maturity or the prior redemption thereof, at the Trust Office of the Trustee. The principal

of and interest and premium (if any) on the Bonds will be payable in lawful money of the United States of America.

Each Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date; or (b) it is authenticated on or before the first Record Date, in which event it will bear interest from the Closing Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon, or from the Closing Date if no interest has been paid or made available for payment.

Section 2.2. Redemption of Bonds.

(a) Optional Redemption. The Bonds maturing on September 1, _____ are not subject to optional redemption. The Bonds maturing on and after September 1, _____ may be redeemed at the option of the Authority on any date on and after September 1, _____, from any source of available funds, prior to maturity as a in whole or in part, in the amounts and among maturities the Authority shall select as directed to the Trustee in a Certificate of the Authority, at a redemption price equal to the principal amount thereof, plus a premium expressed below as a percentage of the principal amount so redeemed, plus accrued interest thereon to the date of redemption thereof:

<u>Redemption Date</u>	<u>Redemption Premium</u>
September 1, _____ through August 31, _____	3%
September 1, _____ through August 31, _____	2
September 1, _____ through August 31, _____	1
September 1, _____ and any date thereafter	0

Prior to such redemption the Authority will deliver to the Trustee a certificate of an Independent Financial Consultant verifying that, following such optional prepayment of the Local Obligations and redemption of the Bonds, the principal and interest generated from the remaining Local Obligations is adequate to make the timely payment of principal and interest due on the Bonds that will remain Outstanding hereunder following such redemption.

(b) Mandatory Special Redemption from Prepayments. The Bonds are subject to mandatory special redemption on any Interest Payment Date from proceeds of early redemption of Local Obligations from Prepayment of Special Taxes, in whole or in part, in the amounts and among maturities the Authority shall select as directed to the Trustee in a Certificate of the Authority, at a redemption price equal to the principal amount thereof, plus a premium expressed below as a percentage of the principal amount so redeemed, plus accrued interest to the date of redemption thereof:

<u>Redemption Date</u>	<u>Redemption Premium</u>
Interest Payment Dates through March 1, _____	3%
September 1, _____ and March 1, _____	2
September 1, _____ and March 1, _____	1
September 1, _____ and thereafter	0

Prior to such redemption the Authority will deliver to the Trustee a certificate of an Independent Financial Consultant verifying that, following such early redemption of the Local

Obligations and redemption of the Bonds, the principal and interest generated from the remaining Local Obligations is adequate to make the timely payment of principal and interest due on the Bonds that will remain Outstanding hereunder following such redemption.

(c) Mandatory Sinking Fund Redemption. The Bonds maturing on September 1, _____, September 1, _____, and September 1, _____ (collectively, the “**Term Bonds**”), and are subject to redemption prior to their stated maturity, in part, by lot from amounts deposited into the Principal Account in the following amounts and on the following dates, at the principal amount thereof on the date fixed for redemption, without premium, but which amounts will be proportionately reduced by the principal amount of all Bonds optionally redeemed:

Term Bonds Maturing September 1, _____

Mandatory Redemption Date (Sept. 1)	Sinking Fund Payment

(maturity)

Term Bonds Maturing September 1, _____

Mandatory Redemption Date (Sept. 1)	Sinking Fund Payment

(maturity)

Term Bonds Maturing September 1, _____

Mandatory Redemption Date (Sept. 1)	Sinking Fund Payment

(maturity)

The amounts in the foregoing tables may be reduced pro rata, in order to maintain substantially uniform debt service, as a result of any prior partial optional redemption or mandatory redemption of the Bonds.

(d) Notice of Redemption. The Trustee on behalf, and at the expense, of the Authority will mail (by first class mail, postage prepaid) notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Bond Register, and to the Securities Depositories and to the Municipal Securities Rulemaking Board, at least 20 but not more than 60 days prior to the date fixed for redemption. Neither failure to receive any such notice so mailed nor any defect therein will affect the validity of the proceedings

for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice will state the date of the notice, the redemption date, the redemption place and the redemption price and will designate the CUSIP numbers, the Bond numbers and the maturity or maturities (in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and will require that such Bonds be then surrendered at the Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date. Any such notice of optional redemption may specify that redemption on the specified date will be subject to receipt by the Authority of moneys sufficient to cause such redemption (and will specify the proposed source of such moneys), and neither the Authority nor the Trustee will have any liability to the Owners or any other party as a result of its failure to redeem the Bonds as a result of insufficient moneys.

The Authority has the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of optional redemption will be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default hereunder. The Trustee will give notice of rescission of redemption in the same manner notice of redemption was originally provided.

In addition to the foregoing notice, further notice will be given by the Trustee in said form by first class mail to any Bondowner whose Bond has been called for redemption but who has failed to submit his Bond for payment by the date which is sixty days after the redemption date, but no defect in said further notice nor any failure to give or receive all or any portion of such further notice will in any manner defeat the effectiveness of a call for redemption.

Upon the payment by the Trustee from the applicable account in the Revenue Fund of the redemption price of the Bond being redeemed, each check or other transfer of funds issued for such purpose will, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(e) Selection of Bonds of a Maturity for Redemption. Unless otherwise provided hereunder, whenever provision is made in this Indenture or in the applicable Supplemental Indenture for the redemption of fewer than all of the Bonds of a series or maturity of the Bonds, the Authority will select the Bonds to be redeemed from all Bonds of such series and maturity not previously called for redemption, by lot in any manner which the Trustee in its sole discretion will deem appropriate and fair. For purposes of such selection, all Bonds will be deemed to be comprised of separate \$5,000 authorized denominations, and such separate authorized denominations will be treated as separate Bonds that may be separately redeemed.

(f) Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Authority will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of the same maturity date, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(g) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption will have been duly provided, such Bonds so called will cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price, and no interest will accrue thereon from and after the redemption date specified in such notice. All Bonds redeemed pursuant to this Section 2.2 will be cancelled and destroyed.

Section 2.3. Form of Bonds. The Bonds, the form of Trustee's certificate of authentication, and the form of assignment to appear thereon, will be substantially in the form set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.4. Execution of Bonds. All the Bonds will, from time to time, be executed on behalf of the Authority by, or bear the manual or facsimile signature of, one of the members of the Board of Directors of the Authority and be attested by the manual or facsimile signature of the Secretary or by any deputy thereof. If any of the directors or officers who will have signed any of the Bonds or whose facsimile signature will be upon the Bonds will cease to be such officer of the Authority before the Bond so signed will have been actually authenticated by the Trustee or delivered, such Bonds nevertheless may be authenticated, issued and delivered with the same force and effect as though the person or persons who signed such Bonds or whose facsimile signature will be upon the Bonds had not ceased to be such officer of the Authority; and any such Bond may be signed on behalf of the Authority by those persons who, at the actual date of the execution of such Bonds, will be the proper officers of the Authority, although at the date of such Bond any such person will not have been such officer of the Authority.

Only such of the Bonds as will bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, manually executed by the Trustee, will be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee will be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

Section 2.5. Transfer of Bonds. Subject to Section 2.10, any Bond may in accordance with its terms, be transferred, upon the Bond Register, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any Bond will be surrendered for transfer, the Authority will execute and the Trustee will thereupon authenticate and deliver to the transferee a new Bond or Bonds of like Series, tenor, maturity and aggregate principal amount. No Bonds selected for redemption will be subject to transfer pursuant to this Section nor will any Bond be subject to transfer during the fifteen days prior to the selection of Bonds for redemption.

The cost of printing any Bonds and any services rendered or any expenses incurred by the Trustee in connection with any transfer or exchange will be paid by the Authority. However, the Owners of the Bonds will be required to pay any tax or other governmental charge required to be paid for any exchange or registration of transfer and the Owners of the Bonds will be required to pay the reasonable fees and expenses of the Trustee and Authority in connection with the replacement of any mutilated, lost or stolen Bonds.

Section 2.6. Exchange of Bonds. Subject to Section 2.10, Bonds may be exchanged at the Trust Office of the Trustee for Bonds of the same Series, tenor and maturity and of other authorized denominations. No Bonds selected for redemption will be subject to exchange pursuant to this Section, nor will any Bond be subject to exchange during the fifteen days prior to the selection of Bonds for redemption. The Owners of the Bonds will be required to pay any tax or other governmental charge required to be paid for any exchange and the Owners of the Bonds will be required to pay the reasonable fees and expenses of the Trustee and Authority in connection with the exchange of any Bonds.

Section 2.7. Temporary Bonds. The Bonds may be issued initially in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, will be of such denominations as may be determined by the Authority and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond will be executed by the Authority and be registered and authenticated by the Trustee upon the same conditions and in substantially the same manner as the definitive Bonds. If the Authority issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds may be surrendered for cancellation, in exchange therefor at the Trust Office of the Trustee, and the Trustee will authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds will be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.8. Bond Register. The Trustee will keep or cause to be kept at its Trust Office sufficient records for the registration and transfer of the Bonds, which will be the Bond Register and will at all times during regular business hours be open to inspection by the Authority upon reasonable notice; and, upon presentation for such purpose, the Trustee will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said records, Bonds as hereinbefore provided.

Section 2.9. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond will become mutilated, the Authority, at the expense of the Owner of said Bond, will execute, and the Trustee will thereupon authenticate and deliver, a new Bond of like series, tenor and authorized denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee will be cancelled by it and destroyed in accordance with the retention policy of the Trustee then in effect. If any Bond issued hereunder will be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity satisfactory to it will be given, at the expense of the Bond Owner, the Authority will execute, and the Trustee will thereupon authenticate and deliver, a new Bond of like series and tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond will have matured or will have been called for redemption, instead of issuing a substitute Bond the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee). The Trustee may require payment of a reasonable fee for each new Bond issued under this Section and of the expenses which may be incurred by the Authority and the Trustee. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen will constitute an original contractual obligation on the part of the Authority whether or not the Bond alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and will be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

Section 2.10. Book-Entry System.

(a) All Bonds will be initially issued in the form of a separate single certificated fully registered Bond for each maturity date of the Bonds. Upon initial issuance, the ownership of each Bond will be registered in the Bond Register in the name of Cede & Co., as nominee of DTC. Except as provided in Section 2.10(d), all Outstanding Bonds will be registered in the Bond Register in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the Authority and the Trustee will have no responsibility or obligation with

respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Bond Register, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The Authority and the Trustee may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Trustee will pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners, as shown in the Bond Register, as provided in Section 2.8, or their respective attorneys duly authorized in writing, and all such payments will be valid and effective to fully satisfy and discharge the Authority's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, will receive a certificated Bond evidencing the obligation of the Authority to make payments of principal, premium, if any, and interest pursuant to this Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to record dates, the word "Cede & Co." in this Indenture will refer to such new nominee of DTC.

(c) The delivery of the Representation Letter and the Trustee will not in any way limit the provisions of Section 2.10(b) or in any other way impose upon the Authority or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Owners, as shown on the Bond Register. The Trustee will take all action necessary for all representations in the Representation Letter with respect to the Trustee to be complied with at all times.

(d) DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law.

(i) The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Bonds if the Authority determines that:

(A) DTC is unable to discharge its responsibilities with respect to the Bonds, or

(B) a continuation of the requirement that all Outstanding Bonds be registered in the Bond Register in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of such Bonds.

(ii) Upon the termination of the services of DTC with respect to the Bonds pursuant to subsection 2.10(d)(i)(B), or upon the discontinuance or termination of the services of DTC with respect to the Bonds pursuant to subsection 2.10(d)(i)(A) after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the Authority, is willing and able to undertake such functions upon reasonable and customary terms, the Authority is obligated to deliver Bond certificates, as described in this Indenture and the Bonds will no longer be restricted to

being registered in the Bond Register in the name of Cede & Co. as nominee of DTC, but may be registered in whatever name or names DTC will designate to the Trustee in writing, in accordance with the provisions of this Indenture.

(e) Notwithstanding any other provisions of this Indenture to the contrary, as long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal or, premium, if any, and interest on such Bond and all notices with respect to such Bond will be made and given, respectively, in the manner provided in the Representation Letter.

Section 2.11. Validity of Bonds. The validity of the authorization and issuance of the Bonds will not be affected in any way by any proceedings taken by the Authority or the City with respect to the application of the proceeds of the Bonds, and the recital contained in the Bonds that the same are issued pursuant to the Bond Law will be conclusive evidence of their validity and of the regularity of their issuance.

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS

Section 3.1. Issuance of Bonds. Upon the execution and delivery of this Indenture and compliance with the requirements set forth in Section 2.1, the Authority will execute and deliver the Bonds in the principal amounts set forth in Section 2.1 to the Trustee for authentication and delivery to the Original Purchaser thereof upon the Request of the Authority.

Section 3.2. Application of Proceeds of Sale of Bonds.

(a) Proceeds of the Bonds. The Trustee shall apply the proceeds of the sale of the Bonds received on the Closing Date, being an amount equal to \$_____ (constituting the aggregate principal amount of the Bonds, (\$_____.00), *plus* [net] original issue premium of \$_____, *less* an underwriter's discount of \$_____).

(b) Purchase of the Local Obligations. Each series of Local Obligations shall bear a proportionate share of the benefits and burdens related to the Bonds, including funding of the costs of issuance, capitalized interest and Reserve Requirement. The purchase price of the Local Obligations is calculated as the principal amount of the Local Obligations, less net original issue discount and less the allocable share of Underwriter's discount, being an aggregate amount of \$_____, shall be deemed a purchase fund and shall on the Closing Date be deposited for the benefit of the Local Obligations as provided in Section 3.02(a) of the Fiscal Agent Agreement.

(c) Deposits by the Trustee. On the Closing Date, the Trustee shall apply available proceeds as follows:

(i) Purchase of Local Obligations: The Trustee shall transfer \$_____ of the proceeds of the Bonds to the Local Obligations Fiscal Agent, representing the net purchase price of the Local Obligations paid by the Authority.

(ii) Costs of Issuance Fund: Deposit \$_____ in the Costs of Issuance Fund to be used in accordance with Section 3.4.

(iii) Reserve Fund: Deposit \$_____ in the Reserve Fund to be used in accordance with Section 4.3.

Section 3.3. [Reserved].

Section 3.4. Costs of Issuance Fund. The Trustee will establish and maintain a fund known as the "Costs of Issuance Fund" into which will be deposited the amounts set forth in Section 3.2. The moneys in the Costs of Issuance Fund will be used to pay Costs of Issuance from time to time upon receipt by the Trustee of a Request of the Authority. On the date which is 60 days following the Closing Date, or upon the earlier receipt by the Trustee of a Request of the Authority stating that all Costs of Issuance have been paid, the Trustee will transfer all remaining amounts in the Costs of Issuance Fund to the Revenue Fund, for payment of debt service on the Bonds. Upon such transfer, the Costs of Issuance Fund will be closed and the Trustee will no longer be obligated to make payments for Costs of Issuance. The Authority may at any time file a Request of the Authority requesting that the Trustee retain a specified amount in the Costs of

Issuance Fund and transfer to the Revenue Fund all remaining amounts, and upon receipt of such request by the Trustee, the Trustee will comply with such request.

Section 3.5. Reserve Fund. The Trustee shall maintain a separate fund to be known as the "Reserve Fund" which shall be established and administered as provided in Section 4.3.

Section 3.6. Rebate Fund. Upon the initial need arises for a deposit to be made into the Rebate Fund, the Trustee shall establish and maintain a separate fund to be known as the "Rebate Fund" to be administered as described in Section 5.8.

ARTICLE IV

REVENUES; FLOW OF FUNDS

Section 4.1. Pledge of Revenues; Assignment of Rights. Subject to the provisions of Sections 7.3 and 10.3, the Bonds will be secured by a first lien on and pledge (which will be effected in the manner and to the extent hereinafter provided) of all of the Revenues. The Bonds will be equally secured by a pledge, charge and lien upon the Revenues without priority for any Bond over any other Bond; and the payment of the interest on and principal of the Bonds and any premiums upon the redemption of any Bonds will be and are secured by an exclusive pledge, charge and lien upon the Revenues. So long as any of the Bonds are Outstanding, the Revenues will not be used for any purpose except as is expressly permitted by this Indenture.

The Authority hereby transfers in trust, grants a security interest in and assigns to the Trustee, for the benefit of the Owners from time to time of the Bonds all of the Revenues and all of the right, title and interest of the Authority in the Local Obligations, subject to the terms of this Indenture. The Trustee will be entitled to and will collect and receive all of the Revenues, and any Revenues collected or received by the Authority will be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and will forthwith be paid by the Authority to the Trustee. Subject to the provisions of Section 9.2, the Trustee also will be entitled to and will take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority with respect to its ownership of the Local Obligations.

Section 4.2. Receipt, Deposit and Application of Revenues; Revenue Fund.

(a) All Revenues shall be promptly deposited by the Trustee upon receipt thereof in the "Revenue Fund," which shall be established and held by the Trustee in trust for the benefit of the Authority and the Owners of the Bonds.

On or before each Interest Payment Date and date for redemption of the Bonds, the Trustee will transfer from the Revenue Fund, and deposit into the following respective accounts for the Bonds, each of which will be held in trust by the Trustee within the Revenue Fund, the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority shall be drawn on before any other amounts:

(i) Interest Account. On each Interest Payment Date and redemption date, the Trustee will deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to equal the amount of interest becoming due and payable on such Interest Payment Date on all Outstanding Bonds or to be paid on the Bonds being redeemed on such date. No deposit need be made into the Interest Account if the amount contained therein is at least equal to the interest becoming due and payable upon all Outstanding Bonds on the next succeeding Interest Payment Date or redemption date, as applicable. All moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it will become due and payable (including accrued interest on any Bonds redeemed prior to maturity). In the event that the amounts on deposit in the Interest Account on any Interest Payment Date or redemption date are insufficient for any reason to pay the aggregate amount of interest then coming due and payable on the Outstanding Bonds, the Trustee will apply such amounts to the payment of interest on each of the Outstanding Bonds on a pro rata basis.

(ii) Principal Account. On each Interest Payment Date and redemption date on which the principal of the Bonds will be payable, the Trustee will deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of, and premium (if any) on, the Bonds coming due and payable on such Interest Payment Date, or required to be redeemed on such date pursuant to Section 2.2; provided, however, that no amount will be deposited to effect a redemption pursuant to Section 2.2(a) or 2.2(b) unless the Trustee has first received a certificate of an Independent Financial Consultant certifying that such deposit to effect an optional redemption of the Bonds will not impair the ability of the Authority to make timely payment of the principal of and interest on the Bonds, assuming for such purposes that the District continues to make timely payments on the Local Obligations not then in default. All moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of (i) paying the principal of the Bonds at the maturity thereof or (ii) paying the principal of and premium (if any) on any Bonds upon the redemption thereof pursuant to Section 2.2.

(b) If on the date which is 30 days prior any Interest Payment Date the amount on deposit in the Revenue Fund is inadequate to make the transfers described in subsection (a) above as a result of a payment default on an issue of Local Obligations, the Trustee will within 5 days thereof notify the Finance Director of the City of the amount needed to make the required deposits under subsection (a) above. In the event that amounts in the Revenue Fund are insufficient to pay regularly scheduled payments of principal of and interest on the Bonds, the Trustee shall withdraw from the Reserve Fund to the extent of any funds therein, the amount of such insufficiency, and the fiscal agent for the Local Obligations shall provide written notice to the Authority, the Finance Director of the City and the Special Tax Administrator of the amounts so withdrawn from the Reserve Fund. Amounts so withdrawn from the Reserve Fund shall be deposited in the Revenue Fund.

If, after the foregoing transfer, there are insufficient funds in the Revenue Fund to make the payments provided for to pay regularly scheduled payments of principal of and interest on the Bonds, the Trustee shall apply the available funds first to the payment of interest on the Bonds, then to the payment of principal due on the Bonds other than by reason of sinking payments, and then to payment of principal due on the Bonds by reason of sinking payments. Any sinking payment not made as scheduled shall be added to the sinking payment to be made on the next sinking payment date.

(c) On each Interest Payment Date after making the transfers required under subsections (a) and (b) above, upon receipt of a Request of the Authority to do so, the Trustee will transfer from the Revenue Fund to the Rebate Fund for deposit therein the amounts specified in such Request.

(d) On each Interest Payment Date after making the transfers required under subsections (a), (b) and (c) above, upon receipt of a Request of the Authority to do so, the Trustee will transfer from the Revenue Fund to the Authority the amounts specified in such Request for payment of Administrative Expenses.

(e) Unless otherwise directed by the Authority, on each September 2, the Trustee shall transfer any remaining balance from the Revenue Fund to the City to be used for any lawful purpose, whereupon such transferred moneys will no longer be considered Revenues and shall be free of the lien and pledge for payment of the Bonds.

Section 4.3. Reserve Fund.

(a) The Trustee shall establish and maintain a separate fund to be held by the Trustee to be known as the "Reserve Fund," to the credit of which the Trustee shall deposit, immediately upon receipt, reserve fund proceeds as set forth in Section 3.2(c). Moneys in the Reserve Fund shall be held in trust by the Trustee for the benefit of the Owners of the Bonds and, pending any disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

The Authority has the right at any time to cause the Trustee to release funds from the Reserve Fund, in whole or in part, by tendering to the Trustee: (1) a Qualified Reserve Fund Credit Instrument, and (2) an opinion of Bond Counsel stating that such release will not, of itself, cause the portion of the interest on the Bonds to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Trustee, the Trustee will transfer such funds from the Reserve Fund to the Authority.

(b) On the Closing Date, the Authority shall deposit into the Reserve Fund an amount equal to the Reserve Requirement. Except as otherwise provided in this Section, all amounts deposited in the Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Revenue Fund in the event of any deficiency within five days prior to any Interest Payment Date in the Revenue Fund of the amount required for payment of the principal of, and interest on, the Bonds on such Interest Payment Date. Whenever transfer is made from the Reserve Fund to the Revenue Fund due to a deficiency in the Revenue Fund, the Trustee shall provide written notice thereof to the Authority and the Finance Director of the City.

(c) In addition to the uses of the Reserve Fund set forth in subsection (b), upon the occurrence of payment at final maturity or redemption of all or a portion of any series of Local Obligations, the Trustee shall, upon receipt of a Request of the Authority, apply a portion of the amount in the Reserve Fund to such payment or redemption in the amount specified by the Authority, and adjust the balance in the Reserve Fund to the amount of the newly established Reserve Requirement determined by the Authority based on the outstanding Bonds remaining outstanding, and transfer any excess funds as directed in a Certificate of the Authority.

(d) To the extent that the transfer of such moneys from the Reserve Fund results in the amount on deposit in the Reserve Fund to be below the Reserve Requirement, the Authority shall immediately notify the Finance Director of the City and the Special Tax Administrator of the need to increase the applicable Special Tax levy in future year(s). Such notice shall continue

annually until the amount on deposit in the Reserve Fund is at least equal to the Reserve Requirement.

(e) To the extent that the transfer of such moneys from the Reserve Fund results in the amount on deposit in the Reserve Fund to be below the Reserve Requirement, the Authority shall notify the City and the Special Tax Administrator to increase the applicable Special Tax levy in future years until the amount on deposit in the Reserve Fund is at least equal to the Reserve Requirement.

(f) Unless otherwise directed in a Certificate of the Authority, on August 1 of each year, any interest earned on the investment of monies on deposit in the Reserve Fund which would cause the amount therein to exceed the Reserve Requirement shall be transferred by the Trustee to the Revenue Fund. Investment earnings on amounts in the Reserve Fund may be withdrawn from the Reserve Fund and transferred to the Rebate Fund for purposes of making payment to the federal government to comply with Section 5.7(d).

(g) When amounts in the Reserve Fund are sufficient to repay the remaining principal and interest due on the Local Obligations and, in turn, the Bonds, such amount may be transferred, upon Request of the Authority, to the fiscal agent for the Local Obligations for deposit in the Special Tax Fund of for the District as a credit against the payments due on the Local Obligations and, in turn, on the Bonds.

Section 4.4. Investments. All moneys in any of the funds or accounts established with the Trustee pursuant to this Indenture will be invested by the Trustee solely in Permitted Investments, as directed pursuant to the Request of the Authority filed with the Trustee at least two (2) Business Days in advance of the making of such investments. The Trustee will be entitled to conclusively rely on any such Request of the Authority and will be fully protected in relying thereon. In the absence of any such Request of the Authority the Trustee will invest any such moneys in Permitted Investments described in clause (h) of the definition thereof provided, however, that any such investment will be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee will have received a Request of the Authority specifying a specific money market fund and, if no such Request of the Authority is so received, the Trustee will hold such moneys uninvested. The Trustee will be entitled to rely upon any investment directions from the Authority as conclusive certification to the Trustee that the investments described therein are so authorized under the laws of the State of California and qualify as Permitted Investments. Permitted Investments purchased as an investment of moneys in any fund or account established pursuant to this Indenture will be deemed to be part of such fund or account.

All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder will be deposited in the fund or account from which such investment was made.

For purposes of acquiring any investments hereunder, the Trustee may commingle moneys held by it in any of the funds and accounts held by it hereunder. The Trustee and its affiliates may act as advisor, sponsor, principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee and its affiliates may make any and all investments permitted herein through its own investment department. The Trustee will incur no liability for losses arising from any investments made pursuant to this Section 4.4.

The Authority acknowledges that, to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Authority periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

Section 4.5. Valuation and Disposition of Investments.

(a) Except as otherwise provided in subsection (b) of this Section, the Authority covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) will be acquired, disposed of, and valued by the Authority (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value.

(b) Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code will be valued by the Authority at their present value (within the meaning of section 148 of the Code).

ARTICLE V

COVENANTS OF THE AUTHORITY

Section 5.1. Punctual Payment. The Authority will punctually pay or cause to be paid the principal and interest and premium (if any) to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of Revenues and other assets pledged for such payment as provided in this Indenture.

Section 5.2. Extension of Payment of Bonds. The Authority will not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest will be extended, such Bonds or claims for interest will not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which will have been so extended. Nothing in this Section will be deemed to limit the right of the Authority to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance will not be deemed to constitute an extension of maturity of the Bonds.

Section 5.3. Against Encumbrances. The Authority will not create, or permit the creation of, any pledge, lien, charge or other encumbrance upon the Revenues and other assets pledged or assigned under this Indenture while any of the Bonds are Outstanding, except the pledge and assignment created by this Indenture and except as otherwise permitted by Section 5.6 of this Indenture. Subject to this limitation, the Authority expressly reserves the right to enter into one or more other indentures for any of its corporate purposes, including other programs under the Bond Law, and reserves the right to issue other obligations for such purposes.

Section 5.4. Power to Issue Bonds and Make Pledge and Assignment. The Authority is duly authorized pursuant to law to issue the Bonds and to enter into this Indenture and to pledge and assign the Revenues, ownership rights in the Local Obligations and other assets purported to be pledged and assigned under this Indenture. The Bonds and the provisions of this Indenture are and will be the legal, valid and binding limited, special obligations of the Authority in accordance with their terms, and the Authority and the Trustee will at all times, to the extent permitted by law, defend, preserve and protect said pledge and assignment of the Revenues, ownership rights in the Local Obligations, and other assets and all the rights of the Bond Owners under this Indenture against all claims and demands of all persons whomsoever.

Section 5.5. Accounting Records and Financial Statements.

Not later than 45 days following each Interest Payment Date, the Trustee will prepare and file with the Authority a report setting forth: (i) amounts withdrawn from and deposited into each fund and account maintained by the Trustee under this Indenture; (ii) the balance on deposit in each fund and account as of the date for which such report is prepared; and (iii) a brief description of all obligations held as investments in each fund and account. Copies of such reports may be mailed to any Owner upon the Owner's written request to the Trustee at the expense of such Owner at a cost not to exceed the Trustee's actual costs of duplication and mailing.

Section 5.6. No Additional Bonds, Except for Refunding. The Authority may not issue any additional bonds, notes or other obligations payable from the Revenues on a parity with the Bonds (“Additional Bonds”), except that the Authority may issue bonds, notes or other obligations for the purpose of refunding any Outstanding Bonds in whole or in part.

Section 5.7. Tax Covenants.

(a) Private Activity Bond Limitation. The Authority will assure that the proceeds of the Bonds are not used so as to cause the Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

(b) Federal Guarantee Prohibition. The Authority will not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(c) No Arbitrage. The Authority will not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the Bond proceeds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date, would have caused the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code.

(d) Rebate of Excess Investment Earnings to United States. The Authority will calculate or cause to be calculated excess investment earnings with respect to the Bonds which are required to be rebated to the United States of America pursuant to Section 148(f) of the Code, and will pay the full amount of such excess investment earnings to the United States of America in such amounts, at such times and in such manner as may be required pursuant to the Code. Such payments will be made by the Authority from any source of legally available funds of the Authority, including amounts deposited into the Rebate Fund, if any. The Authority will keep or cause to be kept, and retain or cause to be retained for a period of six (6) years following the final payment of the Bonds, records of the determinations made pursuant to this subsection (d). In order to provide for the administration of this subsection (d), the Authority may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Authority may deem appropriate.

(e) Maintenance of Tax Exemption. The Authority will take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners thereof to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bonds.

(f) Record Retention. The Authority will retain its records of all accounting and monitoring it carries out with respect to the Bonds for at least 3 years after the Bonds mature or are redeemed (whichever is earlier); however, if the Bonds are redeemed and refunded, the Authority will retain its records of accounting and monitoring at least 3 years after the earlier of the maturity or redemption of the obligations that refunded the Bonds.

(g) Compliance with Tax Certificate. The Authority will comply with the provisions of the Tax Certificate and the Use of Proceeds Certificate with respect to the Bonds, which are incorporated herein as if fully set forth herein. The covenants of this Section will survive payment in full or defeasance of the Bonds.

Section 5.8. Rebate Fund.

(a) Establishment. The Trustee will establish a Rebate Fund pursuant to Section 3.6 when deposits are required to be made therein. Absent an opinion of Bond Counsel that the exclusion from gross income for federal income tax purposes of interest on the Bonds will not be adversely affected, the Authority will cause to be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to this Section, Section 5.8(d) and the Code. All money at any time deposited in the Rebate Fund will be held by the Trustee in trust for payment to the United States Treasury in accordance with written instructions given by the Authority to the Trustee, upon which the Trustee may conclusively rely.

(b) Disposition of Unexpended Funds. Any funds remaining in the Rebate Fund after redemption and payment of the Bonds and after payment of all the amounts payable to the United States Treasury from the Rebate Fund, including accrued interest and payment of all applicable fees to the Trustee, may be withdrawn by the Trustee and remitted to the Authority and utilized in any manner by the Authority.

Section 5.9. Continuing Disclosure. The Authority hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Authority to comply with the Continuing Disclosure Certificate will not be considered an Event of Default; however, any Participating Underwriter or any holder or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 5.10. Compliance with Reporting Requirements of Bond Law.

(a) The Authority hereby covenants and agrees that it will comply with and carry out all of the reporting requirements of the Bond Law, including, but not limited to, Section 6599.1 thereof.

(b) Not later than January 1 of the year following issuance of the Bonds, and at least once a year thereafter, the Authority shall file a report with the Board in accordance with the requirements of Government Code Section 53411, which report shall contain: (i) the amount of Revenues collected and expended; and (ii) if applicable, the status of the Project financed by the Bonds.

(c) Not later than seven months after the end of the Authority's fiscal year, the Authority shall prepare and supply to CDIAC the information required by Section 8855(k) of the Government Code. The annual reporting shall be made using such form or forms as may be prescribed by CDIAC.

Section 5.11. Further Assurances. The Authority will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this Indenture.

Section 5.12. Ownership of Local Obligations. Subject to the provisions of this Indenture, the Authority and the Trustee will use reasonable efforts to collect all amounts due on the Local Obligations and will enforce, and take all steps, actions and proceedings which the Authority and

Trustee determine to be reasonably necessary for the enforcement of all of the rights of the Authority thereunder and for the enforcement of all of the obligations and covenants of the Authority. The Trustee will authenticate and hold the Local Obligations registered in the name of the Trustee.

**ARTICLE VI
[RESERVED]**

ARTICLE VII

THE TRUSTEE

SECTION 7.1. The Trustee. Bank of New York Mellon Trust Company, N.A. will serve as the Trustee for the purpose of receiving all money which the Authority is required to deposit with the Trustee hereunder and for the purpose of allocating, applying and using such money as provided herein and for the purpose of paying the interest and principal and redemption premiums, if any, on the Bonds presented for payment and for the purpose of canceling all paid or redeemed Bonds as provided herein. The Authority agrees that it will at all times maintain a Trustee having a corporate trust office in either San Francisco, California, Los Angeles, California.

The Authority may at any time (unless there exists any Event of Default as defined in Section 7.01) remove the Trustee initially appointed and any successor thereto and may appoint a successor or successors thereto by an instrument in writing; provided that any such successor will be a bank, national banking association or trust company doing business and having a principal office in either San Francisco, California or Los Angeles, California, having a combined capital (exclusive of borrowed capital) and surplus of at least \$75,000,000 (including, for such proposal, the combined capital and surplus of any parent holding companies) and subject to supervision or examination by federal or state authority. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this section the combined capital and surplus of such bank, national banking association or trust company will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Trustee may at any time resign by giving written notice of such resignation to the Authority and by mailing to the Owners notice of such resignation. Upon receiving such notice of resignation, the Authority will promptly appoint a successor Trustee by an instrument in writing. Any removal or resignation of a Trustee and appointment of a successor Trustee will become effective only upon the acceptance of appointment by the successor Trustee. If, within 30 days after notice of the removal or resignation of the Trustee no successor Trustee will have been appointed and will have accepted such appointment, the removed or resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Trustee having the qualifications required hereby.

The Trustee will, prior to an Event of Default, and after the curing of all Events of Default that may have occurred, perform such duties and only such duties as are specifically set forth in the Trust Agreement and no implied covenants, duties or obligations will be read into this Trust Agreement. The Trustee will, during the existence of any Event of Default (that has not been cured), exercise such of the rights and powers vested in it hereby, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

SECTION 7.2. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Authority, and the Trustee shall not assume responsibility for the correctness of the same, or make any representations as to the validity or sufficiency of this Indenture, the Bonds or the Lease (including any right to receive moneys thereunder or the value of or title to the premises upon which the Leased Property is located), nor shall the Trustee incur any responsibility in respect thereof, other than as expressly stated herein in connection with the respective duties or obligations of Trustee herein or in the Bonds assigned to or imposed upon it. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence. The Trustee may become the Owner of Bonds with the same rights it would have if it were not Trustee, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bond Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee is not liable for any error of judgment made by a responsible officer, unless it is proved that the Trustee was grossly negligent in ascertaining the pertinent facts. Permissive rights of the Trustee shall not be construed as duties.

(c) The Trustee is not liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture or assigned to it under the Assignment Agreement.

(d) The Trustee is not liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture.

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder, or any other event which, with the passage of time, the giving of notice, or both, would constitute an Event of Default hereunder unless and until it shall have actual knowledge thereof, or a corporate trust officer shall have received written notice thereof at its Office from the City, the Authority or the Owners of at least 25% in aggregate principal amount of the Outstanding Bonds. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by the Authority or the City of any of the terms, conditions, covenants or agreements herein, under the Lease or the Bonds or of any of the documents executed in connection with the Bonds, or as to the existence of a default or an Event of Default or an event which would, with the giving of notice, the passage of time, or both, constitute an Event of Default. The Trustee is not responsible for the validity, effectiveness or priority of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee shall not be required to ascertain or inquire as to the performance or observance by the City or the Authority of the terms, conditions, covenants or agreements set forth in the Lease, other than the covenants of the City to make Lease Payments to the Trustee when due and to file with the Trustee when due, such reports and certifications as the City is required to file with the Trustee thereunder.

(f) No provision of this Indenture requires the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, receivers or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, receiver or attorney appointed with due care by it hereunder.

(h) The Trustee has no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of the Bond Owners under this Indenture, unless such Owners have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities (including but not limited to fees and expenses of its attorneys) which might be incurred by it in compliance with such request or direction. No permissive power, right or remedy conferred upon the Trustee hereunder shall be construed to impose a duty to exercise such power, right or remedy.

(i) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee is subject to the provisions of Section 8.02(a), this Section 8.04 and Section 8.05, and shall be applicable to the assignment of any rights under the Lease to the Trustee under the Assignment Agreement.

(j) The Trustee is not accountable to anyone for the subsequent use or application of any moneys which are released or withdrawn in accordance with the provisions hereof.

(k) The Trustee makes no representation or warranty, expressed or implied as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose for the use contemplated by the Authority or the City of the Leased Property. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from the Lease or this Indenture for the existence, furnishing or use of the Leased Property.

(l) The Trustee has no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

(m) The Trustee is authorized and directed to execute the Assignment Agreement in its capacity as Trustee hereunder.

(n) The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. Force majeure shall include, but not be limited to, acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

SECTION 7.3. Compensation and Indemnification of Trustee. The Authority shall pay to the Trustee from time to time, on demand, the compensation for all services rendered under this Indenture and also all reasonable expenses, advances (including any interest on advances), charges, legal (including outside counsel and the allocated costs of internal attorneys) and consulting fees and other disbursements, incurred in and about the performance of its powers and duties under this Indenture.

The Authority shall indemnify the Trustee, its officers, directors, employees and agents against any cost, loss, liability or expense whatsoever (including but not limited to fees and expenses of its attorneys) incurred without negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of this trust and this Indenture, including costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers hereunder or under the Assignment Agreement or the Lease. As security for the performance of the obligations of the Authority under this Section 8.07 and the obligation of the Authority to make Additional Rental Payments to the Trustee, the Trustee shall have a lien prior to the lien of the Bonds upon all property and funds held or collected by the Trustee as such. The rights of the Trustee and the obligations of the Authority under this Section 8.07 shall survive the resignation or removal of the Trustee or the discharge of the Bonds and this Indenture and the Lease.

No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liabilities in the performance of any of its duties hereunder, or in the exercise of its rights or powers.

SECTION 7.4. Right to Rely on Documents. The Trustee shall be protected and shall incur no liability in acting or refraining from acting in reliance upon any notice, resolution, request, consent, order, certificate, report, opinion, bonds or other paper or document believed by them to be genuine and to have been signed or presented by the proper party or parties. The Trustee is under no duty to make any investigation or inquiry as to any statements contained or matter referred to in any paper or document but may accept and conclusively rely upon the same as conclusive evidence of the truth and accuracy of any such statement or matter and shall be fully protected in relying thereon. The Trustee may consult with counsel, who may be counsel of or to the Authority, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

The Trustee may treat the Owners of the Bonds appearing in the Registration Books as the absolute owners of the Bonds for all purposes and the Trustee shall not be affected by any notice to the contrary.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee deems it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate, Written Request or Written Requisition of the Authority or the City, and such Written Certificate, Written Request or Written Requisition shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such Written Certificate, Written Request or Written Requisition, and the Trustee shall be fully protected in relying thereon, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the City shall provide to the Trustee an incumbency certificate listing officers with

the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

SECTION 7.5. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its respective possession and in accordance with its retention policy then in effect and shall, upon reasonable notice to Trustee, be subject to the inspection of the Authority, the City and any Bond Owner, and their agents and representatives duly authorized in writing, during business hours and under reasonable conditions as agreed to by the Trustee.

ARTICLE VIII

MODIFICATION AND AMENDMENT OF THE INDENTURE

Section 8.1. Amendment. This Indenture and the rights and obligations of the Authority and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture which will become binding when the prior written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment will (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Authority to pay the principal, interest or redemption premiums at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification, or (c) without written consent of the Trustee, modify any of the rights or obligations of the Trustee.

This Indenture and the rights and obligations of the Authority and of the Owners of the Bonds may also be modified or amended at any time by a Supplemental Indenture which will

become binding upon adoption, without consent of any Owners, to the extent permitted by law but only for any one or more of the following purposes

(a) to add to the covenants and agreements of the Authority contained in this Indenture, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers herein reserved to or conferred upon the Authority so long as such addition, limitation or surrender of such rights or powers will not materially adversely affect the Owners of the Bonds; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Authority may deem necessary or desirable, provided under any circumstances that such modifications or amendments will not materially adversely affect the interests of the Owners of the Bonds; or

(c) to amend any provision relating to the Code as may be necessary or appropriate to assure compliance with the Code and the exclusion from gross income of interest on the Bonds; or

(d) to amend any provision to place any Additional Bonds on a parity with the Bonds for all purposes of this Indenture, including, but not limited to, for the purpose of exercising all rights and remedies hereunder; or

(e) to amend the provisions of Section 4.4.

If requested, the Trustee will be furnished with an opinion of Bond Counsel that any such Supplemental Indenture entered into by the Authority and the Trustee complies with the provisions of this Article VIII and the Trustee may conclusively rely upon such opinion and will be fully protected in relying thereon.

Section 8.2. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VIII, this Indenture will be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners of Outstanding Bonds, as the case may be, will thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of this Indenture for any and all purposes.

Section 8.3. Endorsement or Replacement of Bonds After Amendment. After the effective date of any action taken as hereinabove provided, the Authority may determine that any affected Bonds will bear a notation, by endorsement in form approved by the Authority, as to such action, and in that case upon demand of the Owner of any Bond Outstanding at such effective date and presentation of its Bond for that purpose at the Trust Office of the Trustee, a suitable notation as to such action will be made on such Bond. If the Authority will so determine, new Bonds so modified as, in the opinion of the Authority, will be necessary to conform to such Bond Owners' action will be prepared and executed, and in that case upon demand of the Owner of any Bond Outstanding at such effective date such new Bonds will be exchanged at the Trust Office of the Trustee, without cost to each Bond Owner, for Bonds then Outstanding, upon surrender of such Outstanding Bonds.

Section 8.4. Amendment by Mutual Consent. The provisions of this Article VIII will not prevent any Bond Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.1. Events of Default. The following events will be Events of Default hereunder.

(a) Default in the due and punctual payment of the principal of any Bond when and as the same will become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise;

(b) Default in the due and punctual payment of any installment of interest on any Bond when and as such interest installment will become due and payable; or

(c) Default by the Authority in the observance of any of the other covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, if such default will have continued for a period of 60 days after written notice thereof, specifying such default and requiring the same to be remedied, will have been given to the Authority by the Trustee, or to the Authority and the Trustee by the Owners of not less than 25% in aggregate principal amount of the Bonds at the time Outstanding; provided that such default (other than a default arising from nonpayment of the Trustee's fees and expenses, which must be cured within such 60 day period unless waived by the Trustee) will not constitute an Event of Default hereunder if the Authority will commence to cure such default within said 60 day period and thereafter diligently and in good faith will cure such default within a reasonable period of time.

Section 9.2. Remedies; Rights of Bond Owners. Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Outstanding Bonds, and to enforce any rights of the Trustee under or with respect to this Indenture. In the event of an Event of Default arising out of a nonpayment of Trustee's fees and expenses, the Trustee may sue the Authority to seek recovery of its fees and expenses; provided, however, that such recovery may be made only from Revenues.

If an Event of Default will have occurred and be continuing and if requested to do so by the Owners of at least 25% in aggregate principal amount of Outstanding Bonds, and, in each case, if indemnified as provided in Section 7.2(l), the Trustee will be obligated to exercise such one or more of the rights and powers conferred by this Article IX and, as applicable, as fiscal agent for the Local Obligations, as the Trustee, being advised by counsel, will deem most expedient in the interests of the Bond Owners.

No remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bond Owners) is intended to be exclusive of any other remedy, but each and every such remedy will be cumulative and will be in addition to any other remedy given to the Trustee or to the Bond Owners hereunder or now or hereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any Event of Default will impair any such right or power or will be construed to be a waiver of any such Event of Default or acquiescence therein; such right or power may be exercised from time to time as often as may be deemed expedient.

Section 9.3. Application of Revenues and Other Funds After Event of Default. All amounts received by the Trustee with respect to the Bonds pursuant to any right given or action taken by the Trustee under the provisions of this Indenture relating to the Bonds will be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the amount of the payment if only partially paid, or upon the surrender thereof if fully paid –

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in carrying out the provisions of this Article IX, including reasonable compensation to its agents, attorneys and counsel (including outside counsel and the allocated costs of internal attorneys), and to the payment of all other outstanding fees and expenses of the Trustee; and

Second, to the payment of the whole amount of interest on and principal of the Bonds then due and unpaid, with interest on overdue installments of principal and interest to the extent permitted by law at the net effective rate of interest then borne by the Outstanding Bonds; provided, however, that in the event such amounts will be insufficient to pay in full the full amount of such interest and principal, then such amounts will be applied in the following order of priority.

- (a) first to the payment of all installments of interest on the Bonds then due and unpaid,
- (b) second, to the payment of all installments of principal of the Bonds then due and unpaid, and
- (c) third, to the payment of interest on overdue installments of principal and interest on Bonds.

Section 9.4. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, will have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, it may, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee will not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if there has been filed with it a written request signed by the Owners of a majority in aggregate principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other such litigation and provided further that the Trustee will have the right to decline to comply with such written request unless indemnification satisfactory to it has been provided. Any suit, action or proceeding which any Owner of Bonds will have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners of Bonds similarly situated and the Trustee is hereby appointed (and the successive respective Owners of the Bonds issued hereunder, by taking and holding the same, will be conclusively deemed so to have appointed it) the true and lawful attorney in fact of the respective Owners of the Bonds for the purposes of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners of the Bonds as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney in fact.

Section 9.5. Appointment of Receivers. Upon the occurrence of an Event of Default hereunder, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bond Owners under this Indenture, the Trustee will be entitled, as a matter of right, to the appointment of a receiver or receivers of the Revenues and other amounts pledged hereunder, pending such proceedings, with such powers as the court making such appointment will confer.

Section 9.6. Non-Waiver. Nothing in this Article IX or in any other provision of this Indenture, or in the Bonds, will affect or impair the obligation of the Authority, which is absolute and unconditional, to pay the interest on and principal of the Bonds to the respective Owners of the Bonds at the respective dates of maturity, as herein provided, out of the Revenues and other moneys herein pledged for such payment.

A waiver of any default or breach of duty or contract by the Trustee or any Bond Owners will not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission of the Trustee or any Owner of any of the Bonds to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy conferred upon the Trustee or Bond Owners by the Bond Law or by this Article IX may be enforced and exercised from time to time and as often as will be deemed expedient by the Trustee or the Bond Owners, as the case may be.

Section 9.7. Rights and Remedies of Bond Owners. No Owner of any Bond issued hereunder will have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner will have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding will have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners will have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee will have refused or omitted to comply with such request for a period of 60 days after such written request will have been received by, and said tender of indemnity will have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder; it being understood and intended that no one or more Owners of Bonds will have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture will be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding.

The right of any Owner of any Bond to receive payment of the principal of and interest and premium (if any) on such Bond as herein provided or to institute suit for the enforcement of any such payment, will not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 9.8. Termination of Proceedings. In case the Trustee will have proceeded to enforce any right under this Indenture by the appointment of a receiver or otherwise, and such proceedings will have been discontinued or abandoned for any reason, or will have been determined adversely, then and in every such case, the Authority, the Trustee and the Bond Owners will be restored to their former positions and rights hereunder, respectively, with regard to the property subject to this Indenture, and all rights, remedies and powers of the Trustee will continue as if no such proceedings had been taken.

ARTICLE X

MISCELLANEOUS

Section 10.1. Limited Liability of Authority. Notwithstanding anything in this Indenture contained, (a) the Authority will not be required to advance any moneys derived from any source of income other than the Revenues for the payment of the principal of or interest on the Bonds, or any premiums upon the redemption thereof, or for the performance of any covenants herein contained for the benefit of the owners of the Bonds (except to the extent any such covenants are expressly payable hereunder from the Revenues) and (b) the Authority will not be required to advance any moneys derived from any source of income for the payment of the principal of or interest on the Local Obligations, or any premiums upon the redemption thereof or for the performance of any covenants herein contained for the benefit of the owners of the Local Obligations (except to the extent any such covenants are expressly payable hereunder from the Revenues). The Authority may, however, advance funds for any such purpose, provided that such funds are derived from a source legally available for such purpose and may be used by the Authority for such purpose without incurring indebtedness.

The Bonds will be revenue bonds, payable exclusively from the Revenues and other funds as in this Indenture provided. The general fund of the Authority is not liable, and the credit of the Authority is not pledged, for the payment of the interest and premium (if any) on or principal of the Bonds or the Local Obligations. The Owners of the Bonds and the Local Obligations will never have the right to compel the forfeiture of any property of the Authority. The principal of and interest on the Bonds, and any premiums upon the redemption of any thereof, will not be a legal or equitable pledge, charge, lien or encumbrance upon any property of the Authority or upon any of its income, receipts or revenues except the Revenues and other funds pledged to the payment thereof as in this Indenture provided.

Neither the Authority nor its members, officers, directors, agents or employees or their successors and assigns shall be liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under, by reason of or in connection with the Bonds or the Indenture, except only to the extent amounts are received for the payment thereof pursuant to the Indenture. Notwithstanding any contrary provision hereof, the Authority shall under no circumstances be obligated to pay the cost or expense of carrying out its duties hereunder except from funds received for such purposes or from funds which are made available under this Indenture or otherwise.

Section 10.2. Benefits of Indenture Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Authority, the Trustee and the Owners of the Bonds, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Authority will be for the sole and exclusive benefit of the Trustee and the Owners of the Bonds.

Section 10.3. Discharge of Indenture. If the Authority will pay and discharge any or all of the Outstanding Bonds in any one or more of the following ways:

- (a) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on such Bonds, as and when the same become due and payable;

(b) by irrevocably depositing with the Trustee, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established with the Trustee pursuant to this Indenture and available for such purpose, is fully sufficient to pay such Bonds, including all principal, interest and redemption premiums; or

(c) by irrevocably depositing with the Trustee or any other fiduciary, Federal Securities in such amount as an Independent Financial Consultant determines will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established with the Trustee pursuant to this Indenture and available for such purpose, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates;

then any such Outstanding Bond or Bonds will be deemed to have been paid and discharged; provided, however, that any such Outstanding Bond or Bonds will be deemed to have been paid under paragraph (c) above only if (i) in the case of Bonds to be redeemed prior to the maturity thereof, notice of such redemption will have been mailed pursuant to Section 2.2(d) or provision satisfactory to the Trustee will have been made for the mailing of such notice, (ii) a verification report of an Independent Financial Consultant will be delivered to the Trustee, and (iii) an opinion of Bond Counsel will be delivered to the Trustee in the case of a defeasance of Bonds, to the effect that the requirements of this Indenture have been satisfied with respect to such discharge of such Bonds. Upon a discharge of one or more Bonds as described above, and notwithstanding that any of such Bonds will not have been surrendered for payment, the pledge of the Revenues, and other funds provided for in this Indenture with respect to such Bonds, and all other pecuniary obligations of the Authority under this Indenture with respect to such Bonds, as applicable, will cease and terminate, except only the obligation of the Authority to comply with the covenants contained in Section 5.7 (Tax Covenants), to pay or cause to be paid to the Owners of such Bonds not so surrendered and paid all sums due thereon from amounts set aside for such purpose, and to pay all expenses and costs of the Trustee. Any funds thereafter held by the Trustee, which are not required for said purposes, will be paid over to the Authority or upon a Request of the Authority.

Section 10.4. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Authority is named or referred to, such reference will be deemed to include the successor, via written assignment, operation of law, or otherwise, to the powers, duties and functions, with respect to the management, administration and control of the affairs of the Authority, that are presently vested in the Authority, and all the covenants, agreements and provisions contained in this Indenture by or on behalf of the Authority will bind and inure to the benefit of its successors whether so expressed or not.

Section 10.5. Delegation by Authority; Content of Certificates. The Authority may delegate any or all of its obligations hereunder to its Authorized Officers, consultants and/or others. Every certificate by or on behalf of the Authority with respect to compliance with a condition or covenant provided for in this Indenture will include (a) a statement that the person or persons making or giving such certificate have read such covenant or condition and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to

whether or not such covenant or condition has been complied with; and (d) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate made or given by an officer of the Authority may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous. Any such certificate or opinion or representation made or given by counsel may be based, insofar as it relates to factual matters, on information with respect to which is in the possession of the Authority, or upon the certificate or opinion of or representations by an officer or officers of the Authority, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate, opinion or representation may be based, as aforesaid, are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

Section 10.6. Execution of Documents by Bond Owners. Any request, consent or other instrument required by this Indenture to be signed and executed by Bond Owners may be in any number of concurrent writings of substantially similar tenor and may be signed or executed by such Bond Owners in person or by agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, will be sufficient for any purpose of this Indenture and will be conclusive in favor of the Trustee and of the Authority if made in the manner provided in this Section 10.6.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgements of deeds, certifying that the person signing such request, consent or other instrument or writing acknowledged to him the execution thereof.

The ownership of Bonds will be conclusively proved by the Bond Register. Any request, consent or vote of the Owner of any Bond will bind every future Owner of the same Bond and the Owner of any Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in pursuance of such request, consent or vote. In lieu of obtaining any demand, request, direction, consent or waiver in writing, the Trustee may call and hold a meeting of the Bond Owners upon such notice and in accordance with such rules and obligation as the Trustee considers fair and reasonable for the purpose of obtaining any such action.

Section 10.7. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Authority (but excluding Bonds held in any employees' or retirement fund) will be disregarded and deemed not to be Outstanding for the purpose of any such determination, provided, however, that for the purpose of determining whether the Trustee will be protected in relying on any such demand, request, direction, consent or waiver, only Bonds which the Trustee knows to be so owned or held will be disregarded. Upon request, the Authority will specify to the Trustee those Bonds disqualified pursuant to this Section 10.7.

Section 10.8. Waiver of Personal Liability. No officer, agent or employee of the Authority will be individually or personally liable for the payment of the interest on or principal of the Bonds;

but nothing herein contained will relieve any such officer, agent or employee from the performance of any official duty provided by law.

Section 10.9. Partial Invalidity. If any one or more of the covenants or agreements, or portions thereof, provided in this Indenture on the part of the Authority (or of the Trustee) to be performed should be contrary to law, then such covenant or covenants, such agreement or agreements, or such portions thereof, will be null and void and will be deemed separable from the remaining covenants and agreements or portions thereof and will in no way affect the validity of this Indenture or of the Bonds; but the Bond Owners will retain all rights and benefits accorded to them under the Bond Law or any other applicable provisions of law. The Authority hereby declares that it would have entered into this Indenture and each and every other section, paragraph, subdivision, sentence, clause and phrase and would have authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Indenture or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 10.10. Destruction of Cancelled Bonds. Whenever in this Indenture provision is made for the surrender to the Authority or the Trustee of any Bonds which have been paid or cancelled pursuant to the provisions of this Indenture, the Trustee will destroy such Bonds in accordance with the retention policy of the Trustee then in effect.

Section 10.11. Funds and Accounts. Any fund or account required by this Indenture to be established and maintained by the Authority or the Trustee may be established and maintained in the accounting records of the Authority or the Trustee, as the case may be, either as a fund or an account, and may, for the purpose of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account. All such records with respect to all such funds and accounts held by the Authority will at all times be maintained in accordance with generally accepted accounting principles and all such records with respect to all such funds and accounts held by the Trustee will be at all times maintained in accordance with corporate trust industry practices; in each case with due regard for the protection of the security of the Bonds and the rights of every Owner thereof.

Section 10.12. Notices. Any notice, request, complaint, demand, communication or other paper will be sufficiently given and will be deemed given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram, addressed as follows:

If to the Authority:	City of Pittsburg Public Financing Authority Attention: Treasurer 65 Civic Avenue Pittsburg, California 94565

If to the Trustee:	The Bank of New York Mellon Trust Company, N.A. Attention: Corporate Trust 333 S. Hope Street, Suite 2525 Los Angeles, CA 90071

The Authority and the Trustee may designate any further or different addresses to which subsequent notices, certificates or other communications will be sent.

Section 10.13. Unclaimed Moneys. Anything in this Indenture to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment and discharge of any of

the Bonds which remain unclaimed for two (2) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee at such date, or for two (2) years after the date of deposit of such moneys if deposited with the Trustee after said date when such Bonds become due and payable, will be repaid by the Trustee to the Authority, as its absolute property and free from trust, and the Trustee will thereupon be released and discharged with respect thereto and the Bond Owners will look only to the Authority for the payment of such Bonds; provided, however, that before being required to make such payment to the Authority, the Trustee will, at the expense of Authority, cause to be mailed to the Owners of all such Bonds, at their respective addresses appearing on the Bond Register, a notice that said moneys remain unclaimed and that, after a date in said notice, which date will not be fewer than thirty (30) days after the date of mailing such notice, the balance of such moneys then unclaimed will be returned to the Authority.

Section 10.14. Payment Due on Other than a Business Day. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in the Indenture, is not a Business Day, such payment, with no interest accruing for the period after such nominal date, may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Indenture.

Section 10.15. Electronic Signatures. All notices, approvals, consents, requests and any communications to the Trustee hereunder must be in writing in English and must be in the form of a document that is signed manually or by way of an electronic signature (including electronic images of handwritten signatures and digital signatures provided by DocuSign, Orbit, Adobe Sign or any other electronic signature provider acceptable to the Trustee). Electronic signatures believed by the Trustee to comply with the ESIGN ACT of 2000 or other applicable law shall be deemed original signatures for all purposes. If the Authority chooses to use electronic signatures to sign documents delivered to the Trustee, the Authority agrees to assume all risks arising out of its use of electronic signatures, including without limitation the risk of the Trustee acting on an unauthorized document and the risk of interception or misuse by third parties. Notwithstanding the foregoing, the Trustee may in any instance and in its sole discretion require that an original document bearing a manual signature be delivered to the Trustee in lieu of, or in addition to, any document signed via electronic signature.

[Signature Page Follows]

IN WITNESS WHEREOF, the Authority has caused this Indenture to be executed by an authorized signatory, and the Trustee has caused this Indenture to be executed by one of its authorized officers, all as of the day and year first above written.

**CITY OF PITTSBURG PUBLIC FINANCING
AUTHORITY**

By: _____
Executive Director

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee**

By: _____
Authorized Officer

EXHIBIT A
FORM OF BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. _____

\$ _____

CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY
SPECIAL TAX REVENUE BOND
SERIES 2026

INTEREST RATE:	MATURITY DATE:	DATED DATE:	CUSIP:
_____ %	September 1, _____	September __, 2026	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: *** _____ DOLLARS***

The CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues and other funds hereinafter referred to) to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date identified above (subject to any right of prior redemption hereinafter mentioned), the Principal Amount identified above in lawful money of the United States of America; and to pay interest thereon at the Interest Rate identified above in like money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the fifteenth calendar day of the month preceding the month in which such Interest Payment Date occurs, in which event it will bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to February 15, 2027, in which event it will bear interest from the Dated Date identified above; provided, however, that if, at the time of authentication of this Bond, interest is in default on this Bond, this Bond will bear interest from the Interest Payment Date to which interest hereon has previously been paid or made available for payment), payable semiannually on March 1 and September 1 in each year, commencing March 1, 2027 (each, an "Interest Payment Date") until the Maturity Date stated above or date of redemption of this Bond. The Principal Amount is payable upon presentation and surrender at the Trust Office (as defined in the Indenture) of Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). Interest hereon is payable by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Registered Owner at the address of the Registered Owner as it appears on the registration books of the Trustee as of the fifteenth calendar day of the month preceding the month in which such Interest Payment Date occurs; provided, however, that payment of interest may be made by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon

written instructions of any such registered owner filed with the Trustee for that purpose as of the close of business on the fifteenth calendar day of the month preceding the month in which such Interest Payment Date occurs.

This Bond is a limited obligation of the Authority, payable solely from the Revenues and funds pledged under the Indenture (as defined herein). This Bond is not a debt of any member of the Authority or the State of California or any of its political subdivisions (except this bond is a debt of the Authority but only to the extent set forth in the Indenture), and none of the members of the Authority, said State or any of its political subdivisions is liable hereon.

This Bond is one of a duly authorized series of bonds of the Authority designated the "City of Pittsburg Public Financing Authority Special Tax Revenue Bonds, Series 2026" (the "Bonds"), limited in principal amount to \$_____, secured by an Indenture of Trust dated as of September 1, 2026 (the "Indenture"), between the Authority and the Trustee.

Reference is hereby made to the Indenture and all indentures supplemental thereto for a description of the rights thereunder of the owners of the Bonds, of the nature and extent of the Revenues (as that term is defined in the Indenture), of the rights, duties and immunities of the Trustee and of the rights and obligations of the Authority thereunder; and all of the terms of the Indenture are hereby incorporated herein and constitute a contract between the Authority and the Registered Owner, and to all of the provisions of which Indenture the Registered Owner, by acceptance, assents and agrees.

The Bonds are authorized to be issued pursuant to the provisions of the Marks Roos Local Bond Pooling Act of 1985, as amended, constituting Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Bond Law"). The Bonds are limited obligations of the Authority and, as and to the extent set forth in the Indenture, are payable solely from and secured by a first lien on and pledge of the Revenues and certain other funds held by the Trustee as provided in the Indenture. The Revenues and such other funds constitute a trust fund for the security and payment of the principal of and interest on the Bonds, except to the extent otherwise provided in the Indenture. The full faith and credit of the Authority is not pledged to the payment of the principal of or interest or redemption premiums (if any) on the Bonds. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the Authority or any of its income or receipts, except the Revenues and such other funds as provided in the Indenture.

The Bonds have been issued to provide funds to purchase the City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds, Series 2026 (the "Local Obligations").

The obligations of the City to make payments of principal and interest on the Local Obligations are limited obligations secured by Revenues as defined and set forth in the Indenture, primarily comprised of payments received by the Authority on the Local Obligations.

The Bonds maturing on and after September 1, _____ may be redeemed at the option of the Authority on any date on and after September 1, _____, from any source of available funds, prior to maturity as a whole, or in part from maturities corresponding proportionately to the maturities of the Local Obligations simultaneously redeemed, if any redemption of Local Obligations is being accomplished in conjunction with such optional redemption, and otherwise from such maturities as are selected by the Authority, and by lot within a maturity, at a redemption price equal to principal amount of the Bonds to be redeemed, plus a premium expressed below

as a percentage of the principal amount so redeemed, plus accrued interest thereon to the date of redemption thereof:

<u>Redemption Date</u>	<u>Redemption Premium</u>
September 1, _____ through August 31, _____	3%
September 1, _____ through August 31, _____	2
September 1, _____ through August 31, _____	1
September 1, _____ and any date thereafter	0

The Bonds are subject to mandatory special redemption on any Interest Payment Date from proceeds of early redemption of Local Obligations from Prepayment of Special Taxes, in whole or in part, in the amounts and among maturities the Authority shall select as directed to the Trustee in a Certificate of the Authority, at a redemption price equal to the principal amount thereof, plus a premium expressed below as a percentage of the principal amount so redeemed, plus accrued interest to the date of redemption thereof:

<u>Redemption Date</u>	<u>Redemption Premium</u>
Interest Payment Dates through March 1, _____	3%
September 1, _____ and March 1, _____	2
September 1, _____ and March 1, _____	1
September 1, _____ and thereafter	0

The Bonds maturing on September 1, _____, September 1, _____, and September 1, _____ are subject to redemption prior to their stated maturity, in part, by lot from amounts deposited into the Principal Account in the following amounts and on the following dates, at the principal amount thereof on the date fixed for redemption, without premium, but which amounts will be proportionately reduced by the principal amount of all Bonds optionally redeemed:

Term Bonds Maturing September 1, _____

Mandatory Redemption Date (Sept. 1)	Sinking Fund Payment

(maturity)

Term Bonds Maturing September 1, _____

Mandatory Redemption Date (Sept. 1)	Sinking Fund Payment

(maturity)

Term Bonds Maturing September 1, _____

Mandatory
Redemption Date
(Sept. 1)

Sinking Fund
Payment

(maturity)

The amounts in the foregoing tables may be reduced pro rata, in order to maintain substantially uniform debt service, as a result of any prior partial optional redemption or mandatory redemption of the Bonds.

The Trustee on behalf and at the expense of the Authority will give notice of any redemption to the respective owners of any Bonds designated for redemption, at their respective addresses appearing on the registration books maintained by the Trustee and to the Securities Depositories and to the Municipal Securities Rulemaking Board (as such terms are defined in the Indenture), at least 20 but not more than 60 days prior to the redemption date; provided, however, that neither failure to receive any such notice so mailed nor any defect therein will affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest will cease to accrue hereon from and after the date fixed for redemption.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 or any integral multiple thereof. Subject to the limitations and upon payment of the charges, if any, provided in the Indenture, fully registered Bonds may be exchanged at the Trust Office of the Trustee for a like aggregate principal amount and maturity of fully registered Bonds of other authorized denominations.

This Bond is transferable by the Registered Owner, in person or by its attorney duly authorized in writing, at the Trust Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Trustee will not be required to register the transfer or exchange of any Bond (i) during 15 days prior to selection of Bonds for redemption, or (ii) selected for redemption.

The Authority and the Trustee may treat the Registered Owner as the absolute owner for all purposes, and the Authority and the Trustee will not be affected by any notice to the contrary. The Indenture and the rights and obligations of the Authority and of the owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Indenture; provided that no such modification or amendment will (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Authority to pay the principal, interest or redemption premiums at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification, or (c) without its written consent

thereto, modify any of the rights or obligations of the Trustee, all as more fully set forth in the Indenture.

It is hereby certified by the Authority that all things, conditions and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of California and by the Bond Law, and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or statutes of the State of California or by the Bond Law.

This Bond will not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon will have been signed by the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Trustee for registration of transfer, exchange or payment, and any Bond executed and delivered is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, the CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY has caused this Bond to be executed in its name and on its behalf by the facsimile signature of its Executive Director and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

**CITY OF PITTSBURG PUBLIC FINANCING
AUTHORITY**

By: _____
Executive Director

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Date: _____

**BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as *Trustee***

By: _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto

whose tax identification number is _____,
the within mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s)

attorney to transfer the same on the books of the Trustee with full power of substitution in the
premises.

Dated: _____

Signature guaranteed:

NOTE: Signature(s) must be guaranteed by an
eligible guarantor institution

NOTE: The signatures(s) on this Assignment must
correspond with the name(s) as written on the face of
the within Bond in every particular without alteration or
enlargement or any change whatsoever

\$ _____
**CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY
SPECIAL TAX REVENUE BONDS
SERIES 2026**

BOND PURCHASE AGREEMENT

_____, 2026

City of Pittsburg Public Financing Authority
65 Civic Avenue
Pittsburg, California 94565

Ladies and Gentlemen:

Piper Sandler & Co., as underwriter (the “**Underwriter**”), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement (this “**Purchase Agreement**”) with the City of Pittsburg Public Financing Authority (the “**Authority**”), which upon acceptance will be binding upon the Underwriter and the Authority. The agreement of the Underwriter to purchase the Bonds (as hereinafter defined) is contingent upon the Authority purchasing from the City of Pittsburg (the “**City**”) its City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds, Series 2026 (the “**Special Tax Bonds**”) in the aggregate principal amount of \$_____, and upon the Authority and the City satisfying all of the obligations imposed upon them under this Purchase Agreement. This offer is made subject to the Authority’s acceptance by the execution of this Purchase Agreement and its delivery to the Underwriter at or before 8:00 P.M., local time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Authority at any time prior to the acceptance hereof by the Authority. All capitalized terms used herein, which are not otherwise defined, shall have the meaning provided for such terms in the Indenture of Trust, dated as of _____ 1, 2026 (the “**Indenture**”), by and between the Authority and The Bank of New York Mellon Trust Company, N.A. (“**BNY**”), as trustee (the “**Trustee**”). The Special Tax Bonds are being issued pursuant to a Fiscal Agent Agreement, dated as of _____ 1, 2026 (the “**Fiscal Agent Agreement**”), by and between the City and BNY, as fiscal agent (the “**Fiscal Agent**”).

1. Purchase, Sale and Delivery of the Bonds.

Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the Authority and the Authority hereby agrees to sell to the Underwriter all (but not less than all) of the \$_____ aggregate principal amount of the City of Pittsburg Public Financing Authority Special Tax Revenue Bonds, Series 2026 (the “**Bonds**”), dated the Closing Date (as hereinafter defined), bearing interest at the rates and maturing on the dates and in the principal amounts set forth in Exhibit A hereto. The purchase price for the Bonds shall be \$_____ (being 100% of the aggregate principal amount thereof plus a net original issue premium of \$_____ and less an Underwriter’s discount of \$_____). From the proceeds of the Bonds, the Authority agrees to purchase the Special Tax Bonds from the City

pursuant to the terms of the Local Obligations Purchase Agreement (the “**2026 CFD Bond Purchase Agreement**”), by and between the City and the Authority.

The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from the Revenues as provided in the Indenture, the Preliminary Official Statement (as hereinafter defined), and the Marks-Roos Local Bond Pooling Act of 1985, as amended, being Article 4, Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the “**Bond Law**”). The issuance of the Bonds has been duly authorized by the Authority pursuant to a resolution of the Authority adopted by the Board of Directors of the Authority on _____, 2026 (the “**Authority Resolution**”). The net proceeds of the Bonds will be used to purchase the Special Tax Bonds.

The Special Tax Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from Special Taxes (as such term is defined in the Fiscal Agent Agreement) pledged thereto as provided in the Fiscal Agent Agreement.

The Special Tax Bonds are issued under the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “**Community Facilities District Act**”). The issuance of the Special Tax Bonds have been duly authorized by the City Council of the City of Pittsburg (the “**City Council**”) as the legislative body for City of Pittsburg Community Facilities District 2009-01 (San Marco) (the “**Community Facilities District**”), pursuant to a resolution adopted by the City Council on _____, 2026 (the “**Community Facilities District Resolution of Issuance**”). The Purchase Agreement, the 2026 CFD Bond Purchase Agreement and the Preliminary Official Statement have been duly authorized by the City Council pursuant to the Community Facilities District Resolution of Issuance.

The net proceeds of the Special Tax Bonds will be used, as indicated in the Fiscal Agent Agreement, for the following purposes: (1) providing funds for the acquisition and/or construction of certain public facilities; (2) funding the Reserve Requirement for the Bonds; and (3) funding the costs of issuance of the Bonds and the Special Tax Bonds.

Prior to the acceptance of this Purchase Agreement by the Authority, the Authority shall have caused to be delivered to the Underwriter the Letter of Representations of the City (the “**City Letter of Representations**”) in substantially the form set forth in Exhibit B hereto.

A. The Authority acknowledges that the Underwriter is entering into this Purchase Agreement in reliance on the representations and agreements made by the Authority herein and by the City in the City Letter of Representations of the City, and the Authority shall take all action necessary to enforce its rights hereunder for the benefit of the Underwriter and shall immediately notify the Underwriter if it becomes aware that any representation or agreement made by the Authority herein is incorrect in any material respect.

The Authority acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm’s-length commercial transaction between the Authority and the Underwriter; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as principal and is not acting as a Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended); (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Authority or the City with respect to the offering contemplated hereby or

the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Authority or the City on other matters); and (iv) the Authority and the City have consulted their own legal, financial and other advisors to the extent that they have deemed appropriate.

B. Pursuant to the authorization of the Authority, the Underwriter has distributed copies of the Preliminary Official Statement dated _____, 2026, relating to the Bonds, which, together with the cover page, inside cover page and appendices thereto is herein called the **“Preliminary Official Statement.”** By its acceptance of this Purchase Agreement, the Authority hereby ratifies the use by the Underwriter of the Preliminary Official Statement, and the Authority agrees to execute a final official statement relating to the Bonds (the **“Official Statement”**) which will consist of the Preliminary Official Statement with such changes as may be made thereto, with the approval of Jones Hall LLP, the City and the Authority’s Bond Counsel (**“Bond Counsel”**) and Disclosure Counsel (**“Disclosure Counsel”**), and the Underwriter, and to provide copies thereof to the Underwriter as set forth in Section 3(O) hereof. The Authority hereby authorizes and requires the Underwriter to use and promptly distribute, in connection with the offer and sale of the Bonds, the Preliminary Official Statement, the Official Statement and any supplement or amendment thereto. The Authority further authorizes the Underwriter to use and distribute, in connection with the offer and sale of the Bonds, the Indenture, the Fiscal Agent Agreement, this Purchase Agreement, the 2026 CFD Bond Purchase Agreement and all information contained herein, and all other documents, certificates and statements furnished by or on behalf of the Authority or the City to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

C. To assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the **“Rule”**), the City will undertake for and on behalf of the Authority pursuant to the Continuing Disclosure Certificate, in the form attached to the Official Statement as Appendix F (the **“Continuing Disclosure Certificate”**), to provide annual reports and notices of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

D. Except as the Underwriter and the Authority may otherwise agree, the Authority will deliver to the Underwriter, at the offices of Bond Counsel in San Francisco, California, or at such other location as may be mutually agreed upon by the Underwriter, the City and the Authority, the documents hereinafter mentioned; and the Authority will deliver to the Underwriter through the facilities of The Depository Trust Company (**“DTC”**) in New York, New York, the Bonds, in definitive form (all Bonds bearing CUSIP numbers), duly executed by the Authority and authenticated by the Trustee in the manner provided for in the Indenture and the Bond Law at 8:00 a.m. California time, on _____, 2026 (the **“Closing Date”**), and the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (A) of this Section by wire transfer, payable in federal or other immediately available funds (such delivery and payment being herein referred to as the **“Closing”**). The Bonds shall be in fully registered book-entry form (which may be typewritten) and shall be registered in the name of Cede & Co., as nominee of DTC.

2. Public Offering and Establishment of Issue Price.

A. The Underwriter agrees to make a bona fide public offering of all of the Bonds initially at the public offering prices (or yields) set forth in Exhibit A attached hereto and incorporated herein by reference. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of

the Bonds, provided that the Underwriter shall not change the interest rates set forth in Exhibit A. The Bonds will be offered and sold to certain dealers at prices lower than such initial offering prices. The Bonds shall be subject to redemption as set forth in Exhibit A.

B. The Underwriter agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit D, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the Public of the Bonds. All actions to be taken by the Authority under this section to establish the issue price of the Bonds may be taken on behalf of the Authority by the Authority’s municipal advisor, NHA Advisors, LLC (the “**Municipal Advisor**”) and any notice or report to be provided to the Authority may be provided to the Authority’s Municipal Advisor.

C. Except as otherwise set forth in Exhibit A attached hereto, the Authority will treat the first price at which 10% of each maturity of the Bonds (the “**10% test**”), identified under the column “10% Test Used” in Exhibit A, is sold to the Public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Authority the price or prices at which it has sold to the Public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Authority the prices at which it sells the unsold Bonds of that maturity to the Public. That reporting obligation shall continue, whether or not the Closing Date (as defined below) has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the Public.

D. The Underwriter confirms that it has offered the Bonds to the Public on or before the date of this Purchase Agreement at the offering price or prices (the “**initial offering price**”), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, identified under the column “Hold the Offering Price Rule Used,” as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the Public of each such maturity as of the Sale Date as the issue price of that maturity (the “**hold-the-offering-price rule**”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following: (i) the close of the fifth (5th) business day after the Sale Date; or (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the initial offering price to the Public.

The Underwriter shall promptly advise the Issuer when it has sold 10% of that maturity of the Bonds to the Public at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

E. The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Bonds to the Public, together with the related

pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The Authority acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail distribution agreement was employed in connection with the initial sale of the Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

F. The Underwriter acknowledges that sales of any Bonds to any person that is a Related Party to the Underwriter shall not constitute sales to the Public for purposes of this section. Further, for purposes of this section:

1. **“Public”** means any person other than an underwriter or a related party;
2. **“Underwriter”** means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public);
3. a purchaser of any of the Bonds is a **“Related Party”** to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and
4. **“Sale Date”** means the date of execution of this Purchase Agreement by all parties.

3. Representations and Covenants of the Authority. The Authority represents and covenants to the Underwriter that:

A. The Authority is a joint exercise of powers authority, duly organized and existing under the Constitution and laws of the State of California (the **“State”**), and formed pursuant

to Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code (the “**JPA Act**”), with full right, power and authority: (i) to enter into this Purchase Agreement; (ii) to enter into the Indenture; (iii) to adopt the Authority Resolution authorizing the issuance of the Bonds and entry into this Purchase Agreement and the Indenture and to take all other actions on the part of the Authority relating thereto (the “**Authority Proceedings**”); (iv) to issue, sell and deliver the Bonds to the Underwriter as provided herein; (v) to purchase the Special Tax Bonds; and (vi) to carry out and consummate the transactions on its part contemplated by this Purchase Agreement, the Indenture and the Official Statement.

The Indenture, the Bonds, the 2026 CFD Bond Purchase Agreement and this Purchase Agreement are collectively referred to herein as the “Authority Documents.”

B. By all necessary official action of the Authority, the Authority has duly authorized and approved the execution and delivery by the Authority of, and the performance by the Authority of the obligations on its part contained in, the Authority Documents, and has approved the use by the Underwriter of the Preliminary Official Statement and the Official Statement and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the parties thereto, the Authority Documents will constitute the legally valid and binding obligations of the Authority enforceable upon the Authority in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally. The Authority has complied, and will at the Closing Date be in compliance in all respects, with the terms of the Authority Documents that are applicable to the Authority.

C. The information in the Preliminary Official Statement and in the Official Statement relating to the Authority and the Bonds (other than statements pertaining to the book-entry system, as to which no view is expressed), does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and, upon delivery and up to and including 25 days after the End of the Underwriting Period (as defined in paragraph (D) below), the Official Statement will be amended and supplemented so as to contain no misstatement of any material fact or omission of any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

D. Up to and including 25 days after the End of the Underwriting Period (as defined below), the Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise materially affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds. As used herein, the term “**End of the Underwriting Period**” means the later of such time as: (i) the Bonds are delivered to the Underwriter; or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be a written notice delivered to the Authority and the City at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the “End of the Underwriting Period.”

E. As of the time of acceptance hereof and as of the Closing Date, except as otherwise disclosed in the Official Statement, the Authority is not, and as of the Closing Date, will not be, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject; and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; which breach, default or event could have an adverse effect on the Authority's ability to perform its obligations under the Authority Documents; and, as of such times, except as disclosed in the Official Statement, the authorization, execution and delivery of the Authority Documents and compliance by the Authority with the provisions of each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound; nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Authority Documents.

F. At the time of acceptance hereof there is, and as of the Closing Date, there will be no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "**Action**") pending (notice of which has been served on the Authority or the City) or to the knowledge of the Authority threatened, in which any such Action: (i) in any way questions the corporate existence of the Authority, the City or the titles of the officers of the Authority and the City to their respective offices; (ii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, the Special Tax Bonds, or the payment or collection of Revenues (as defined in the Indenture), the Special Taxes or any amounts pledged or to be pledged to pay the principal of and interest on the Bonds or the Special Tax Bonds, or in any way contests or affects the validity of the Authority Documents, the City Documents (as defined herein), or the consummation of the transactions on the part of the Authority contemplated thereby; (iii) contests the exclusion of the interest on the Bonds from federal or state income taxation or contests the powers of the Authority or the City which may result in any material adverse change relating to the financial condition of the Authority; or (iv) contests the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserts that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and, as of the time of acceptance hereof, there is, and as of the Closing Date, there will be no known basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

G. The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter and at the expense of the Underwriter as the Underwriter may reasonably request in order: (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such

qualifications in effect so long as required for the distribution of the Bonds, provided; however, that the Authority will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

H. The Authority Documents conform as to form and tenor to the descriptions thereof contained in the Official Statement. The Authority represents that the Bonds, when issued, executed and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the Authority, entitled to the benefits of the Indenture. The Indenture creates a valid pledge of the moneys in certain funds and accounts established pursuant to the Indenture, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

I. The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Authority is a bond issuer whose arbitrage certifications may not be relied upon.

J. Any certificate signed by any authorized officer of the Authority and delivered to the Underwriter in connection with the issuance and sale of the Bonds shall be deemed to be a representation and covenant by the Authority to the Underwriter as to the statements made therein.

K. The Authority will apply the proceeds of the Bonds in accordance with the Indenture.

L. Between the date of this Purchase Agreement and the Closing Date, the Authority will not offer or issue any bonds, notes or other obligations for borrowed money not previously disclosed to the Underwriter.

M. Until such time as moneys have been set aside in an amount sufficient to pay all then outstanding Bonds at maturity or to the date of redemption if redeemed prior to maturity, plus unpaid interest thereon and premium, if any, to maturity or to the date of redemption if redeemed prior to maturity, the Authority will faithfully perform and abide by all of the covenants, undertakings and provisions contained in the Indenture.

N. The Preliminary Official Statement was deemed final by a duly authorized officer of the Authority prior to its delivery to the Underwriter, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of the Rule. The Authority hereby covenants and agrees that, within seven (7) business days from the date hereof, or upon reasonable written notice from the Underwriter within sufficient time to accompany any confirmation requesting payment from any customers of the Underwriter, the Authority shall cause a final printed form of the Official Statement to be delivered to the Underwriter in sufficient quantity to comply with paragraph (b)(4) of the Rule and Rules G-12, G-15, G-32 and G-36 of the Municipal Securities Rulemaking Board.

The Authority hereby approves the preparation and distribution of the Official Statement, consisting of the Preliminary Official Statement with such changes as are noted thereon and as may be made thereto, with the approval of Bond Counsel, Disclosure Counsel and the Underwriter, from time to time prior to the Closing Date.

The Authority hereby ratifies any prior use of and authorizes the future use by the Underwriter, in connection with the offering and sale of the Bonds, of the Preliminary Official Statement, the Official Statement, this Purchase Agreement and all information contained herein, and all other documents, certificates and written statements furnished by the Authority to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

The execution and delivery of this Purchase Agreement by the Authority shall constitute a representation to the Underwriter that the representations contained in this Section 3 are true as of the date hereof.

4. Conditions to the Obligations of the Underwriter. The obligation of the Underwriter to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations on the part of the Authority contained herein and of the City in the City Letter of Representations, to the accuracy in all material respects of the statements of the officers and other officials of the Authority made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the Authority of its obligations to be performed hereunder at or prior to the Closing Date and, to the following additional conditions:

A. At the Closing Date, the Authority Resolution, the Community Facilities District Resolution of Issuance, the Authority Documents and this Purchase Agreement, the Fiscal Agent Agreement, the 2026 CFD Bond Purchase Agreement, the Special Tax Bonds, the City Letter of Representations and the Continuing Disclosure Certificate (collectively, the “**City Documents**”) shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection therewith, with the issuance of the Bonds and with the Special Tax Bonds, and with the transactions contemplated thereby, and by this Purchase Agreement, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate.

B. At the Closing Date, except as was described in the Preliminary Official Statement, the Authority shall not be, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Authority is a party or is otherwise subject or bound, and the performance by the Authority of its obligations under the Authority Documents, the Authority Resolution and any other instruments contemplated by any of such documents, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Authority is a party or is otherwise subject or bound, in any manner that would materially and adversely affect the performance by the Authority of its obligations under the Authority Documents or the Authority Resolution.

C. At the Closing Date, except as described in the Preliminary Official Statement, the City shall not be, in any respect material to the transactions referred to in the City Letter of Representations or contemplated therein, in breach of or in default under, any law or administrative

rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, and the performance by the City of its obligations under its Special Tax Bonds, the Community Facilities District Resolution of Issuance, the City Documents, and any other instruments contemplated by any of such documents, and compliance with the provisions of each thereof, or the performance of the conditions precedent to be performed hereunder, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, in any manner that would materially and adversely affect the performance by the City of its obligations under the City Documents, the Special Tax Bonds or the performance of the conditions precedent to be performed by the City under the City Documents.

D. The information contained in the Official Statement is, as of the Closing Date and as of the date of any supplement or amendment thereto pursuant hereto, true and correct in all material respects and does not, as of the Closing Date or as of the date of any supplement or amendment thereto, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

E. Between the date hereof and the Closing Date, the market price or marketability, at the initial offering prices set forth on the cover page of the Official Statement, of the Bonds shall not have been materially adversely affected, in the judgment of the Underwriter (evidenced by a written notice to the Authority terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds), by reason of any of the following:

1. Legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America or recommended to the Congress by the President of the United States, the Department of the Treasury, the Internal Revenue Service, or any member of Congress, or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration, or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department of the United States of America or the Internal Revenue Service, with the purpose or effect, directly or indirectly, of imposing federal income taxation upon such interest as would be received by any owners of the Bonds beyond the extent to which such interest is subject to taxation as of the date hereof;

2. Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds or the Special Tax Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Indenture or the Fiscal Agent Agreement is not exempt from qualification under or other requirements of the Indenture

Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds or the Special Tax Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws as amended and then in effect;

3. A general suspension of trading in securities on the New York Stock Exchange, or a general banking moratorium declared by Federal, State of New York or State officials authorized to do so;

4. The introduction, proposal or enactment of any amendment to the Federal or State Constitution or any action by any Federal or State court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Authority or the City, their property, income, securities (or interest thereon), the validity or enforceability of Special Taxes, or the ability of the Authority to purchase any Special Tax Bonds as contemplated by the Official Statement;

5. Any event occurring, or information becoming known which, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or in the Official Statement, or has the effect that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

6. Any national securities exchange, the Comptroller of the Currency, or any other governmental authority, shall impose as to the Bonds, the Special Tax Bonds or obligations of the general character of the Bonds or the Special Tax Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

7. There shall have occurred any material outbreak or escalation of hostilities or other calamity or crisis the effect of which on the financial markets of the United States is such as to make it impracticable, in the judgment of the Underwriter, following consultation with the Authority, to sell the Bonds;

8. Any proceeding shall have been commenced or be threatened in writing by the Securities and Exchange Commission against the City or the Authority; or

9. The filing or threat of an Action described in Section 3.F. hereof or in Section K of the City Letter of Representations.

F. At or prior to the Closing Date, the Underwriter shall have received a counterpart original or certified copy of the following documents, in each case satisfactory in form and substance to the Underwriter:

1. The Official Statement, executed on behalf of the Authority by its Treasurer or other authorized officer;

2. The Authority Documents, duly executed and delivered by all parties thereto;

3. The Authority Resolution, together with a certificate of the Secretary of the Authority, dated as of the Closing Date, to the effect that such resolution is a true, correct and complete copy of the resolution duly adopted by the Board of Directors of the Authority;

4. The Community Facilities District Resolution of Issuance, together with a certificate dated as of the Closing Date of the City Clerk to the effect that the Community Facilities District Resolution of Issuance is a true, correct and complete copy of the one duly adopted by the City Council;

5. The City Documents duly executed and delivered by all parties thereto;

6. An unqualified approving opinion for the Bonds, dated the Closing Date and addressed to the Authority, of Bond Counsel, in substantially the form included as Appendix D to the Official Statement;

7. A supplemental opinion or opinions, dated the Closing Date and addressed to the Underwriter, of Bond Counsel, in substantially the form attached hereto as Exhibit C;

8. An unqualified opinion of Bond Counsel addressed to the City, in form and substance acceptable to the Underwriter, as to the due authorization, execution and enforceability of the Special Tax Bonds and the Fiscal Agent Agreement.

9. A certificate, dated the Closing Date and signed by the Treasurer of the Authority or other authorized officer, to the effect that: (i) the representations of the Authority contained herein are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best knowledge of such officer, no event has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; and (iii) the Authority has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied under the Authority Documents and the Authority Resolution at or prior to the Closing Date;

10. A certificate dated the Closing Date and signed by an authorized representative of the City or an authorized designee, on behalf of the City to the effect that: (i) the representations made by the City contained in the City Letter of Representations are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date, provided that any references as to the Preliminary Official Statement shall be deemed to be to the Official Statement; (ii) to the best knowledge of such officer, no event has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; and (iii) the City has complied with all the agreements and satisfied all the conditions on its part to be satisfied under the City Documents prior to the Closing Date;

11. An opinion of the City Attorney of the City, as counsel to the Authority, dated the date of Closing and addressed to the Underwriter, the Authority and the Community Facilities District, to the effect that:

(i) The Authority is a public body, corporate and politic, duly organized and validly existing as a joint powers authority under the laws of the State of California;

(ii) The Authority has full legal power and lawful authority to enter into the Authority Documents and to carry out the transactions contemplated under the Authority Documents;

(iii) The Authority Resolution was duly adopted at regular meetings of the governing body of the Authority, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Authority Resolution is in full force and effect and has not been modified, amended, rescinded or repealed since the dates of its adoption;

(iv) The Authority Documents have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding obligations of the Authority enforceable against the Authority in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, to the application of equitable principles where equitable remedies are sought and to the exercise of judicial discretion in appropriate cases;

(v) To the best knowledge of such counsel, the execution and delivery of the Authority Documents and the Official Statement and compliance with the provisions thereof under the circumstances contemplated thereby: (a) do not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound; and (b) do not and will not in any material respect or constitute on the part of the Authority a violation, breach of or default under any court order or consent decree to which the Authority is subject;

(vi) The Authority Documents and the Official Statement have been duly authorized by the Board of Directors of the Authority and executed on its behalf by an authorized officer of the Authority;

(vii) Except as may be stated in the Official Statement, there is no action, suit, proceeding or investigation before or by any court, public board or body pending (notice of which has been served on the Authority) or, to the City Attorney's knowledge, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the Authority, or the titles of its members and officers to their respective offices; (b) enjoin or restrain the issuance, sale and delivery of the Bonds, the collection of the Revenues or the pledge thereof; (c) in any way question or affect any of the rights, powers, duties or obligations of the Authority with respect to the Revenues or the moneys and assets pledged or to be pledged to pay the principal of, premium, if any, or interest on the Bonds; (d) in any way question or affect any authority for the issuance of the Bonds, or the validity or enforceability of the Bonds; or (e) in any way question or affect the Authority Documents or the transactions contemplated by the Authority Documents, the Official Statement, or any activity regarding the Bonds;

12. An opinion of the City Attorney of the City, dated the date of Closing and addressed to the Underwriter, the Authority and the City, to the effect that:

(i) The City is a municipal corporation and general law city, corporate and politic, duly organized and existing under the Constitution and laws of the State of California;

(ii) The Community Facilities District Resolution of Issuance has been duly adopted at a meeting of the City Council, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Community Facilities District Resolution of Issuance is in full force and effect and has not been modified, amended, rescinded or repealed since the date of its adoption;

(iii) The City Documents and the Official Statement have been duly authorized, executed and delivered by the City and constitute the legal, valid and binding obligations of the City enforceable against the City in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, to the application of equitable principles where equitable remedies are sought and to the exercise of judicial discretion in appropriate cases; and

(iv) Except as may be stated in the Official Statement, there is no action, suit, proceeding or investigation before or by any court, public board or body pending (notice of which has been served on the City) or, to such counsel's knowledge, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the City, or the titles of its members and officers to their respective offices; or (b) affect the validity of the City Documents or restrain or enjoin the repayment of the Special Tax Bonds or in any way contest or affect the validity of the City Documents or contest the authority of the City to enter into or perform its obligations under any of the City Documents or under which a determination adverse to the City would have a material adverse affect upon the financial condition or the revenues of the City, questions the right of the City to use Special Taxes levied within the Community Facilities District for the repayment of the Special Tax Bonds or affects in any manner the right or ability of the City to collect or pledge the Special Taxes levied within the Community Facilities District for the repayment of the Special Tax Bonds;

13. A transcript of all proceedings relating to the authorization, issuance, sale and delivery of the Bonds and the Special Tax Bonds, including certified copies of the Indenture, the Fiscal Agent Agreement and all resolutions of the City and the Authority relating thereto;

14. A certificate dated the Closing Date from Goodwin Consulting Group, Inc. addressed to the Authority, the City and the Underwriter to the effect that: (i) the Special Tax if collected in the maximum amounts permitted pursuant to the Rate and Method of Apportionment of Special Taxes of the Community Facilities District as of the Closing Date would generate at least 100% of Administrative Expenses and the maximum Special Taxes net of Administrative Expenses will generate at least 110% of the annual debt service payable with respect to the related issue of Special Tax Bonds and outstanding bonds payable from the Special Tax on a parity therewith, based on such assumptions and qualifications as shall be acceptable to the Underwriter; and (ii) the statements in the Official Statement provided by Goodwin Consulting Group, Inc. concerning the Special Taxes and the Rate and Method of Apportionment of the Special Taxes of the Community Facilities District and all information supplied by it for use in the Official Statement as of the date of the Official Statement and

as of the Closing Date did not and do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading;

15. Certified copies of the general resolution of BNY authorizing the execution and delivery of certain documents by certain officers of BNY, which resolution authorizes the execution of the Indenture, the Fiscal Agent Agreement and the authentication of the Bonds and the Special Tax Bonds;

16. A certificate of BNY, addressed to the Underwriter, the Authority and the City dated the Closing Date, to the effect that: (i) BNY is authorized to carry out corporate trust powers, and have full power and authority to perform its duties under the Indenture and the Fiscal Agent Agreement; (ii) BNY is duly authorized to execute and deliver the Indenture and the Fiscal Agent Agreement, to accept the obligations created by the Indenture and the Fiscal Agent Agreement and to authenticate the Bonds and the Special Tax Bonds pursuant to the terms of the Indenture and the Fiscal Agent Agreement, respectively; (iii) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over BNY that has not been obtained is or will be required for the authentication of the Bonds or the Special Tax Bonds or the consummation by BNY of the other transactions contemplated to be performed by BNY in connection with the authentication of the Bonds and the Special Tax Bonds and the acceptance and performance of the obligations created by the Indenture and the Fiscal Agent Agreement; and (iv) to the best of its knowledge, compliance with the terms of the Indenture and the Fiscal Agent Agreement will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, trust agreement, bond, note, resolution or any other agreement or instrument to which BNY is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over BNY or any of its activities or properties;

17. An opinion of counsel to BNY, dated the Closing Date, addressed to the Underwriter, the Authority and the City to the effect that BNY is a national banking association duly organized and validly existing under the laws of the United States having full power and being qualified to enter into, accept and agree to the provisions of the Indenture and the Fiscal Agent Agreement, and that each of such documents has been duly authorized, executed and delivered by BNY and, assuming due execution and delivery by the other parties thereto, constitutes the legal, valid and binding obligation of BNY enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by the application of equitable principles if equitable remedies are sought;

18. A certificate of the Authority dated the Closing Date, in a form acceptable to Bond Counsel and the Underwriter, that the Bonds are not arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

19. An opinion of Best Best & Krieger LLP, counsel to the Underwriter ("**Underwriter's Counsel**"), dated the date of Closing and addressed to the Underwriter in form and substance acceptable to the Underwriter; and

20. Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the material representations of the Authority contained

herein, and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Authority and the City at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the City and the Authority in connection with the transactions contemplated hereby and by the Fiscal Agent Agreement and the Indenture and the Official Statement.

If the Authority shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Authority nor the Underwriter shall be under any further obligation hereunder, except that the respective obligations of the Underwriter and the Authority set forth in Section 7 hereof shall continue in full force and effect.

5. Conditions to the Obligations of the Authority.

A. The obligations of the Authority shall be subject to the satisfaction of the conditions contained in Section 4 of this Purchase Agreement.

B. If the Authority shall be unable to satisfy the conditions to the obligations of the Authority to purchase, accept delivery of and pay for the Special Tax Bonds contained in the 2026 CFD Bond Purchase Agreement, or if the obligations of the Authority to purchase, accept delivery of and pay for the Special Tax Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Authority nor the City shall be under any further obligation hereunder, except that the obligations of the Authority set forth in Section 8 hereof shall continue in full force and effect.

6. Expenses. Whether or not the transactions contemplated by this Purchase Agreement are consummated, the Underwriter shall be under no obligation to pay, and the Authority shall pay only from the proceeds of the Bonds, or cause the City to pay out of the proceeds of the Special Tax Bonds or any other legally available funds of the City, the Community Facilities District or the Authority, but only as the Authority and such other party providing such services may agree, all expenses and costs of the Authority incident to the performance of its obligations in connection with the authorization, execution, sale and delivery of the Bonds to the Underwriter, including, without limitation, printing costs, rating agency fees and charges, initial fees of the BNY, including fees and disbursements of their counsel, if any, fees and disbursements of Bond Counsel, Disclosure Counsel and other professional advisors employed by the Authority, costs of preparation, printing, signing, transportation, delivery and safekeeping of the Bonds and for expenses (included in the expense component of the spread) incurred by the Underwriter on behalf of the Authority's employees which are incidental to implementing this Purchase Agreement, including, but not limited to, meals, transportation, lodging, and entertainment of those employees. The Underwriter shall pay all out-of-pocket expenses of the Underwriter, including, without limitation, advertising expenses, the California Debt and Investment Advisory Commission fee, CUSIP Services Bureau charges, regulatory fees imposed on new securities issuers and any and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds, including fees of its counsel.

7. Notices. Any notice of other communication to be given to the Community Facilities District or the Authority under this Purchase Agreement may be given by delivering the same in writing to the City of Pittsburg, 65 Civic Avenue, Pittsburg, California 94565 Attention: Director of Finance;

any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Piper Sandler & Co., 1777 Botelho Drive, Suite 345, Walnut Creek, California 94596, Attention: Ralph Holmes.

8. Parties in Interest. This Purchase Agreement is made solely for the benefit of the Authority and Underwriter (including any successors or assignees of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

9. Survival of Representations. The representations of the Authority under this Purchase Agreement shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing and regardless of any investigations made by or on behalf of the Underwriter (or statements as to the results of such investigations) concerning such representations and statements of the Authority and regardless of delivery of and payment for the Bonds.

10. Execution in Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

11. Effective. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Authority and shall be valid and enforceable as of the time of such acceptance.

12. No Prior Agreements. This Purchase Agreement supersedes and replaces all prior negotiations, agreements and understanding among the parties hereto in relation to the sale of the Bonds by the Authority.

13. Governing Law. This Purchase Agreement shall be governed by the laws of the State.

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14. Effective Date. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Authority and the City and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

PIPER SANDLER & CO.

By: _____
Its: Authorized Officer

CITY OF PITTSBURG PUBLIC
FINANCING AUTHORITY

By: _____
Its: Treasurer

EXHIBIT A
CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY
SPECIAL TAX REVENUE BONDS
SERIES 2026

Schedule of Bond Maturities, Principal Amounts, Interest Rates and Yield

<i>Maturity Date (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>10% Test Used</i>	<i>Hold the Offering Price Used</i>

† Term Bonds.

Optional Redemption. The 2026 Bonds maturing on or before September 1, 20____, are not subject to optional redemption prior to maturity. The 2026 Bonds maturing on and after September 1, 20____, may be redeemed at the option of the Authority, from any source of available funds, prior to maturity on any date on or after September 1, 20____, as a whole, or in part from maturities corresponding to the maturities of the Special Tax Bonds simultaneously redeemed, if any redemption of Special Tax Bonds is being accomplished in conjunction with such optional redemption, and otherwise from such maturities as are selected by the Authority, and by lot within a maturity, at the following respective redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

Redemption Date

***Redemption
Premium***

Special Mandatory Redemption. The Bonds are subject to mandatory special redemption on any Interest Payment Date from proceeds of early redemption of Special Tax Bonds from prepayment of Special Taxes, in whole or in part, from maturities corresponding to the maturities of the Special Tax Bonds simultaneously redeemed, at the principal amount thereof, plus a premium expressed below as a percentage of the principal amount so redeemed, plus accrued interest to the date of redemption thereof:

Redemption Date

***Redemption
Premium***

Mandatory Sinking Fund Redemption of Bonds. The Bonds maturing on September 1, 20____ and September 1, 20____, are subject to redemption prior to their stated maturity, in part, by lot from amounts deposited into the Principal Account in the following amounts and on the following dates, at the principal amount thereof on the date fixed for redemption, without premium, but which amounts will be reduced by the principal amount of all Bonds optionally redeemed:

Term Bond Maturing September 1, 20____

***Mandatory Redemption Dates
(September 1)***

Principal Amount

Term Bond Maturing September 1, 20__

***Mandatory Redemption Dates
(September 1)***

Principal Amount

EXHIBIT B

LETTER OF REPRESENTATIONS OF THE CITY

Piper Sandler & Co.
Walnut Creek, California

Re: *City of Pittsburg Community Facilities District 2009-01 (San Marco)*
Special Tax Bonds, Series 2026

Ladies and Gentlemen:

In connection with the proposed offer and sale of the above-referenced bonds (the “**Special Tax Bonds**”), the City of Pittsburg hereby represents and covenants to Piper Sandler & Co., as underwriter (the “**Underwriter**”) of the City of Pittsburg Public Financing Authority Special Tax Revenue Bonds, Series 2026 (the “**Bonds**”), as follows:

A. The City is duly organized and validly existing as a municipal corporation and general law city under the Constitution and laws of the State of California, and has duly authorized the formation of the Community Facilities District and annexation of land to the Community Facilities District pursuant to resolutions and ordinances duly adopted by the City Council (collectively, the “**Community Facilities District Formation Resolutions**” and, together with the Community Facilities District Resolutions of Issuance the “**Community Facilities District Resolutions**”) and the Community Facilities District Act. The City Council, as the legislative body of the City and the Community Facilities District, has duly adopted the Community Facilities District Resolutions, and has caused to be recorded in the real property records of the County of Contra Costa, a notice of special tax lien for CFD No. 2009-01 (San Marco) (the “**Notice of Special Tax Lien**”) (the Community Facilities District Formation Resolutions and Notice of Special Tax Lien being collectively referred to herein as the “**Formation Documents**”) for all property located within the boundaries of the Community Facilities District as of the date hereof. Each of the Formation Documents remains in full force and effect as of the date hereof and has not been amended. The Community Facilities District is duly organized and validly existing as a Community Facilities District under the laws of the State of California. The City has, and at the Closing Date will have, as the case may be, full legal right, power and authority: (i) to execute, deliver and perform its obligations under this Letter of Representations, the Fiscal Agent Agreement, the Indenture and the 2026 CFD Bond Purchase Agreement, and to carry out all transactions contemplated by each of such agreements; (ii) to issue, sell and deliver its Special Tax Bonds to the Authority; (iii) to enter into the Continuing Disclosure Certificate; and (iv) to carry out, give effect to and consummate the transactions contemplated by the Formation Documents, the Fiscal Agent Agreement, the Indenture, the 2026 CFD Bond Purchase Agreement, the Special Tax Bonds, the Purchase Agreement dated as of _____, 2026 by and between the Underwriter and the City of Pittsburg Public Financing Authority (the “**Authority**”) and the Official Statement.

This Letter of Representations, the Fiscal Agent Agreement, the 2026 CFD Bond Purchase Agreement, the Special Tax Bonds and the Continuing Disclosure Certificate are collectively referred to herein as the “**City Documents**.”

B. The City has complied, and will at the Closing Date be in compliance in all material respects, with the Formation Documents and the City Documents, and any immaterial

noncompliance by the City, if any, will not impair the ability of the City to carry out, give effect to or consummate the transactions contemplated by the foregoing. From and after the date of issuance of its Special Tax Bonds, the City will continue to comply with the covenants of the City contained in the City Documents.

C. Except as described in the Preliminary Official Statement, the City is not, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, and the performance of its obligations under the City Documents and compliance with the provisions of each thereof, or the performance of the conditions precedent to be performed by the City pursuant to the City Documents, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, in any manner that would materially and adversely affect the performance by the City of its obligations under the City Documents or the performance of the conditions precedent to be performed by the City pursuant to the City Documents.

D. Except as may be required under the “blue sky” or other securities laws of any jurisdiction, all approvals, consents, authorizations, elections and orders of, or filings or registrations with, any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the City of its obligations under the City Documents, have been or will be obtained at the Closing Date and are or will be in full force and effect at the Closing Date.

E. The City Documents conform as to form and tenor to the descriptions thereof contained in the Preliminary Official Statement.

F. The Special Tax Bonds are payable from the Special Taxes, as set forth in the Fiscal Agent Agreement, the levy of which has been duly and validly authorized pursuant to the Community Facilities District Act and the Special Taxes within the Community Facilities District will be fixed and levied in an amount which, together with other available funds, is required for the payment of the principal of, and interest on, the Special Tax Bonds when due and payable, all as provided in the Fiscal Agent Agreement. The City has covenanted to cause the Special Taxes to be levied and collected at the same time and in the same manner as ordinary *ad valorem* property taxes.

G. The Fiscal Agent Agreement creates a valid pledge of, first lien upon and security interest in, the Special Taxes, and in the moneys in the Special Tax Fund established pursuant to the Fiscal Agent Agreement, on the terms and conditions set forth in the Fiscal Agent Agreement.

H. Except as disclosed in the Preliminary Official Statement, there are, to the best of the City’s knowledge, no entities with outstanding assessment liens against any of the properties within the Community Facilities District or which are senior to or on a parity with the Special Taxes referred to in paragraph (G) hereof.

I. The information contained in the Preliminary Official Statement and in the Official Statement (other than statements therein pertaining to the Authority, DTC and its book-entry system as to which no view is expressed) does not and shall not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and, upon delivery and up to and including 25 days after the End of the Underwriting Period (as defined in paragraph (J) below), the Official Statement will be amended and supplemented so as to contain no misstatement of any material fact or omission of any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

J. Up to and including 25 days after the End of the Underwriting Period, the City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The City will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise materially affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds. As used herein, the term “**End of the Underwriting Period**” means the later of such time as: (i) the Bonds are delivered to the Underwriter; or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be a written notice delivered to the City and the Community Facilities District at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the “End of the Underwriting Period.”

K. At the time of acceptance hereof there is and as of the Closing there will be no action pending (notice of which has been served on the City) or to the best knowledge of the City threatened, in which any such action: (i) in any way questions the existence of the Community Facilities District or the titles of the officers of the City to their respective offices; (ii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of the Bonds or the Special Tax Bonds or the payment or collection of Special Taxes or any amounts pledged or to be pledged to pay the principal of and interest on the Special Tax Bonds or the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City contemplated thereby; (iii) contests the exemption of interest on the Special Tax Bonds from federal or State income taxation or contests the powers of the City or Community Facilities District which may result in any material adverse change relating to the financial condition of the Community Facilities District; or (iv) contests the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserts that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and as of the time of acceptance hereof there is and, as of the Closing Date, there will be no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

L. Any certificate signed on behalf of the City by any officer or employee of the City authorized to do so shall be deemed a representation by the City to the Authority and the Underwriter on behalf of itself and the City as to the statements made therein.

M. At or prior to the Closing, the City will have duly authorized, executed and delivered the Continuing Disclosure Certificate in substantially the form attached as Appendix F to the Official Statement. Except as disclosed in the Preliminary Official Statement, the City has not failed to comply in all respects with any previous undertakings with regard to the Rule to provide annual reports or notices of material events in the last five years.

N. The City will apply the proceeds of its Special Tax Bonds in accordance with the Fiscal Agent Agreement.

O. Between the date of the Purchase Agreement and the date of Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money not previously disclosed to the Underwriter.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Bond Purchase Agreement by and between the Authority and the Underwriter.

CITY OF PITTSBURG

By: _____
Its: Director of Finance

EXHIBIT C
SUPPLEMENTAL OPINION OF BOND COUNSEL

[Closing Date]

Piper Sandler & Co., as underwriter
Walnut Creek, California

Re: City of Pittsburg Public Financing Authority
Special Tax Revenue Bonds, Series 2026

Ladies and Gentlemen:

This letter is addressed to you, as Underwriter, pursuant to Section 6.G.7. of the Bond Purchase Agreement, dated _____, 2026 (the “Purchase Agreement”), between you and the City of Pittsburg Public Financing Authority (the “**Authority**”), providing for the purchase of \$ _____ principal amount of City of Pittsburg Public Financing Authority Special Tax Revenue Bonds, Series 2026 (the “Bonds”). The Bonds are being issued pursuant to an Indenture of Trust, dated as of _____ 1, 2026 (the “Indenture”), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “**Trustee**”). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture or, if not defined in the Indenture, in the Purchase Agreement.

We have delivered our final legal opinion (the “**Bond Opinion**”) as bond counsel to the Authority concerning the validity of the Bonds and certain other matters, dated the date hereof and addressed to the Authority. You may rely on such opinion as though the same were addressed to you.

In connection with our role as bond counsel to the Authority, we have reviewed the Purchase Agreement, the Indenture, the Tax Certificate, opinions of counsel to the Authority and the Trustee, certificates of the Authority, the Trustee, the special tax consultant and such other documents, opinions and matters to the extent we deemed necessary to provide the opinions or conclusions set forth herein.

The opinions and conclusions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions or conclusions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Authority. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the third paragraph hereof. We have further assumed compliance with all covenants and agreements contained in such documents. In addition, we call attention to the fact that the rights and obligations under the Bonds, the Indenture, the Tax Certificate and the Purchase Agreement and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors’ rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against cities in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), arbitration, judicial reference, choice of

law, choice of forum, choice of venue, waiver or severability provisions contained in the foregoing documents, nor do we express any opinions with respect to the plans, specifications, maps, financial report or other engineering or financial details of the proceedings, or upon the Rate and Method of Apportionment of the Special Tax for the Community Facilities District or the validity of the Special Tax levied upon any individual parcel.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

1. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

2. The Purchase Agreement has been duly executed and delivered by, and is a valid and binding agreement of, the Authority.

3. The statements contained in the Official Statement under the captions “THE BONDS,” “SECURITY FOR THE BONDS” and “TAX MATTERS,” and in Appendix D—“FORM OF BOND COUNSEL OPINION” and Appendix A—“SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS,” excluding any material that may be treated as included under such captions by cross-reference, insofar as such statements expressly summarize certain provisions of the Indenture, the Fiscal Agent Agreement and the form and content of our Bond Opinion are accurate in all material respects.

4. We are not passing upon and do not assume any responsibility for the accuracy (except as explicitly stated in paragraph 3 above), completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement, and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. We do not assume any responsibility for any electronic version of the Preliminary Official Statement or the Official Statement, and assume that any such version is identical in all respects in the printed version. In our capacity as bond counsel to the Authority in connection with the issuance of the Bonds, we participated in conferences with your representatives, your counsel, representatives of the City of Pittsburgh, the Authority, their counsel, the special tax consultant and others, during which conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based on our participation in the above-referenced conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon, on oral and written statements and representations of the Authority, the City of Pittsburgh, and others and on the records, documents, certificates and opinions herein mentioned (as set forth above), subject to the limitations on our role as bond and disclosure counsel to the Authority, we advise you as a matter of fact and not opinion that no facts came to the attention of the attorneys in our firm rendering legal services in connection with such issuance which caused us to believe that the Preliminary Official Statement, as of its date and as of the date of the Purchase Agreement, or the Official Statement, as of its date and as of the date hereof (except for any CUSIP numbers, financial, accounting, statistical or economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about feasibility, valuation, real estate or environmental matters, or any information about book-entry, DTC, ratings, rating agencies, underwriters, underwriting, and the information contained in Appendix G included or referred to therein, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view), contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. No responsibility is undertaken or opinion rendered with respect to any other disclosure document, materials or activity, or as to any information from another

document or source referred to by or incorporated by reference in the Preliminary Official Statement or the Official Statement.

This letter is furnished by us as bond counsel to the Authority. No attorney-client relationship has existed or exists between our firm and you in connection with the Bonds or by virtue of this letter. Our engagement with respect to the Bonds has concluded with their issuance. We disclaim any obligation to update this letter. This letter is delivered to you as Underwriter of the Bonds, is solely for your benefit as such Underwriter and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,

JONES HALL LLP

EXHIBIT D

CITY OF PITTSBURG PUBLIC FINANCING AUTHORITY SPECIAL TAX REVENUE BONDS SERIES 2026

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Piper Sandler & Co. (“PSC”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the “**Bonds**”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) PSC offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “**Initial Offering Prices**”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, dated _____, 2026, by and between PSC and the City of Pittsburgh Public Financing Authority (the “**Authority**”), PSC has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “**hold-the-offering-price rule**”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2026), or (ii) the date on which PSC has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the City of Pittsburgh Public Financing Authority.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is September 24, 2026.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents PSC’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Jones Hall, A Professional Law Corporation in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

PIPER SANDLER & CO.

By: _____

Name: _____

Dated: _____, 2026

SCHEDULE A

**SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING
PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES**

(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

LOCAL OBLIGATIONS PURCHASE AGREEMENT

\$ _____
City of Pittsburg
Community Facilities District 2009-01
(San Marco)
Special Tax Bonds Series 2026

This LOCAL OBLIGATIONS PURCHASE AGREEMENT (this "Purchase Agreement"), dated as of September 1, 2026, is by and between the City of Pittsburg Public Financing Authority (the "Authority"), a joint powers authority organized and existing under the laws of the State of California, and the City of Pittsburg (the "City"), a general law city and municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of California, for and on behalf of its Community Facilities District 2009-01 (San Marco) (the "District") located within the City.

BACKGROUND:

WHEREAS, the Authority is a joint exercise of powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act (the "Bond Law") to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations to provide financing or refinancing for public capital improvements of local agencies within the State of California; and

WHEREAS, the City is issuing City of Pittsburg Community Facilities District 2009-01 (San Marco) Special Tax Bonds, Series 2026 in the principal amount of \$ _____ (the "Local Obligations") for the purpose of financing authorized improvements for the District.

WHEREAS, the Authority has authorized the issuance of its Special Tax Revenue Bonds, Series 2026 in the aggregate principal amount of \$ _____ (the "Authority Bonds"), pursuant to an Indenture of Trust, dated as of September 1, 2026 (the "Indenture"), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), for the purpose of providing the funds required to acquire the Local Obligations; and

WHEREAS, the Authority and the City desire to enter into this Purchase Agreement providing for the sale of the Local Obligations by the City to the Authority, and the purchase thereof by the Authority, and containing the other agreements herein set forth.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Authority and the City agree as follows:

AGREEMENT:

1. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the City hereby commits to sell to the Authority and does hereby sell to the Authority, and the Authority hereby commits to purchase from the

City and does hereby purchase from the City, with the proceeds of the Authority Bonds, all of the Local Obligations. The Local Obligations will bear the annual interest rates and mature at the times set forth in Exhibit A attached hereto and hereby made a part hereof. The purchase price of the Local Obligations is set forth below.

2. All terms not herein defined will have the meanings given such terms in the Indenture authorizing the issuance of the Authority Bonds.

3. The City confirms that there are no substantial conditions precedent to the issuance by the City and to the sale (as provided herein) and the delivery to the Authority of the Local Obligations.

4. The parties hereto hereby specify September [1], 2026, as the date of closing of the purchase of the Local Obligations hereunder (the "Closing Date"). The Local Obligations will be registered in the name of the Trustee, as assignee of the Authority. On the Closing Date, the City will issue and deliver the Local Obligations to the Trustee upon payment by the Trustee of the purchase price of the Local Obligations in the aggregate amount of \$_____, calculated as the \$_____ aggregate principal amount of Local Obligations, plus a net original issue premium of \$_____, less allocable shares of the costs related to Underwriter's discount, capitalized interest, reserve fund deposit and costs of issuance, in each case as paid by the Authority in connection with the Authority Bonds. Said purchase price will be paid from the proceeds of sale of the Authority Bonds, and will be paid by the Trustee from the Purchase Fund established under the Indenture.

5. The Local Obligations will be as described in the Official Statement dated as of the date hereof, relating to the Authority Bonds (the "Official Statement") and will be issued and secured under the provisions of the resolution adopted by the City on [August 3], 2026 (the "Resolution") and a Fiscal Agent Agreement dated as of September 1, 2026 (the "Fiscal Agent Agreement"), by and between the City and The Bank of New York Mellon Trust Company, N.A., as fiscal agent. The Local Obligations and interest thereon will be payable from Special Taxes levied and collected in accordance with the Resolution and the applicable Fiscal Agent Agreement.

6. Any action under this Purchase Agreement taken by the Authority, including payment for and acceptance of the Local Obligations, and delivery and execution of any receipt for the Local Obligations and any other instruments in connection with the closing on the Closing Date, will be valid and sufficient for all purposes and binding upon the Authority, provided that any such action will not impose any obligation or liability upon the Authority other than as may arise as expressly set forth in this Purchase Agreement.

7. It is a condition to the City's sale and delivery of the Local Obligations to the Authority, and to the Authority's purchase of the Local Obligations and the obligations of the Authority to accept delivery of and to pay for the Local Obligations, that the entire aggregate principal amount of the Local Obligations authorized by the Resolution and the Fiscal Agent Agreement will be delivered by the City, and accepted and paid for by the Authority, on the Closing Date.

8. The City has furnished some, but not all, of the information contained in the Official Statement and hereby authorizes the use of that information by the Authority in connection with the public offering and sale of the Authority Bonds.

9. The City represents and warrants to the Authority that:

(a) The City is a general law city and municipal corporation organized and existing under the Constitution and laws of the State of California, and has, and on the Closing Date will have, full legal right, power and authority (i) to enter into this Purchase Agreement, the Continuing Disclosure Certificate relating to the Authority Bonds and the Local Obligations (the "Continuing Disclosure Certificate") and the Fiscal Agent Agreement (collectively, the "City Documents"), (ii) to adopt the Resolution, (iii) to issue, sell and deliver the Local Obligations to the Authority as provided herein, and (iv) to carry out and consummate the transactions contemplated by the Resolution, the City Documents and the Official Statement;

(b) By all necessary official action of the City, the City has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations contained in, the City Documents and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered, the City Documents will constitute the legally valid and binding obligations of the City enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally;

(c) The City has complied, and will at the Closing be in compliance in all respects, with the terms of the City Documents;

(d) The execution and delivery of City Documents and the Local Obligations, the adoption of the Resolution and compliance with the provisions of each thereof, and the carrying out and consummation of the transactions contemplated by the Official Statement, will not conflict with or constitute a breach of or a default under any applicable law or administrative regulation of the State of California or the United States, or any applicable judgment, decree, agreement or other instrument to which the City is a party or is otherwise subject;

(e) To the knowledge of the City, at the time of the City's acceptance hereof and at all times subsequent thereto up to and including the Closing Date, with respect to information describing the City, the District, the City Documents and the Resolution and other resolutions relating to the District, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(f) Except as may be described in the Official Statement, there is no action, suit, proceeding or investigation before or by any court, public board or body pending or, to the knowledge of the City, threatened, wherein an unfavorable decision, ruling or finding would: (i) affect the creation, organization, existence or powers of the City or the titles of its members and officers to their respective offices, (ii) enjoin or restrain the issuance, sale and delivery of the Local Obligations, the levy and receipt of the Special Taxes which secure the Local Obligations, or the pledge thereof, (iii) in any way question or affect any of the rights, powers, duties or obligations of the City with respect to the moneys pledged or to be pledged to pay the principal of, premium, if any, or interest on the Local Obligations, (iv) in any way question or affect any authority for the issuance of

the Local Obligations, or the validity or enforceability of the Local Obligations, the Resolution or the City Documents, or (v) in any way question or affect the City Documents or the transactions contemplated by the City Documents, the Official Statement, the Resolution, the other documents referred to in the Official Statement, or any other agreement or instrument to which the City is a party relating to the Local Obligations;

(g) The City will furnish such information, execute such instruments and take such other action in cooperation with the Authority, as the Authority may reasonably request, to qualify the Authority Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Authority may designate, and will assist, if necessary therefor, in the continuance of such qualifications in effect as long as required for the distribution of the Authority Bonds; provided, however, that the City will not be required to qualify as a foreign corporation or to file any general consents to service of process under the laws of any state;

(h) The issuance and sale of the Local Obligations is not subject to any transfer or other documentary stamp taxes of the State of California or any political subdivision thereof;

(i) Any certificate signed by any official of the City authorized to do so will be deemed a representation and warranty by the City to the Authority as to the statements made therein.

10. Up to and including 25 days after the End of the Underwriting Period (as defined below), the City will advise the Authority promptly of any proposal to amend or supplement the Official Statement. The City will advise the Authority promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise materially affecting the use of the Official Statement in connection with the offering, sale or distribution of the Authority Bonds or the Local Obligations. As used herein, the term "End of the Underwriting Period" means the later of such time as: (a) the Authority Bonds are delivered to the Original Purchaser (as defined in the Indenture); or (b) the Original Purchaser does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Authority Bonds for sale to the public. Unless the Authority or the Original Purchaser gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be written notice delivered to the City at or prior to the Closing Date and shall specify a date (other than the Closing Date) to be deemed the "End of the Underwriting Period."

11. At 8:00 a.m., Pacific Time, on the Closing Date, or at such other time or on such other date as is mutually agreed by the City and the Authority, (a) the City will deliver the Local Obligations to the Trustee in definitive form, duly executed, together with the other documents hereinafter mentioned, (b) subject to the terms and conditions hereof, the Trustee solely from moneys held under the Indenture will accept such delivery and pay the purchase price of the Local Obligations as referenced in paragraph 1 hereof by wire transfer or other funds which are good funds on the Closing Date, (c) the Trustee will deposit into the funds established under the Fiscal Agent Agreement the amounts described in the Fiscal Agent Agreement. Delivery and payment, as aforesaid, will be made at such place as will have been mutually agreed upon by the City, the Trustee and the Authority.

12. The Authority has entered into this Purchase Agreement in reliance upon the representations, warranties and agreements of the City contained herein and to be contained in the documents and instruments to be delivered on the Closing Date, and upon the performance by the City of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Authority's obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Local Obligations will be subject to the performance by the City of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and will also be subject to the following conditions:

(a) The representations and warranties of the City contained herein will be true, complete and correct on the date hereof and on and as of the Closing Date, as if made on the Closing Date;

(b) On the Closing Date, the Resolution and the City Documents will be in full force and effect, and will not have been amended, modified or supplemented, and the Official Statement will not have been amended, modified or supplemented, except in either case as may have been agreed to by both the Authority and the Original Purchaser;

(c) As of the Closing Date, all official action of the City relating to the Local Obligations, including but not limited to the Resolution, will be in full force and effect, and there will have been taken all such actions as, in the opinion of Jones Hall LLP ("Bond Counsel"), will be necessary or appropriate in connection therewith, with the issuance of the Authority Bonds and the Local Obligations, and with the transactions contemplated hereby, all as described in the Official Statement;

(d) The Authority will have the right to terminate the Authority's obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Local Obligations by notifying the City of its election to do so if, after the execution hereof and prior to the Closing: (i) either the marketability of the Authority Bonds or the market price of the Authority Bonds, in the opinion of the Authority, has been materially and adversely affected by any decision issued by a court of the United States (including the United States Tax Court) or of the State of California, by any ruling or regulation (final, temporary or proposed) issued by or on behalf of the Department of the Treasury of the United States, the Internal Revenue Service, or other governmental agency of the United States, or any governmental agency of the State of California, or by a tentative decision with respect to legislation reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or by legislation enacted by, pending in, or favorably reported to either the House of Representatives or the Senate of the Congress of the United States or either house of the Legislature of the State of California, or formally proposed to the Congress of the United States by the President of the United States or to the Legislature of the State of California by the Governor of the State of California in an executive communication, affecting the tax status of the Authority or the City, their property or income, their bonds (including the Authority Bonds) or the interest thereon, or any tax exemption granted or authorized by the Bond Law; (ii) the United States will have become engaged in: hostilities which have resulted in a declaration of war or national emergency, or there will have occurred any other outbreak of hostilities, or a local, national or international calamity or crisis, financial or otherwise, the effect of such outbreak, calamity or crisis being such as, in the reasonable opinion of the Authority, would affect materially and adversely the ability of the Authority to market the Authority Bonds (it being agreed by the Authority that there is

no outbreak, calamity or crisis of such a character as of the date hereof); (iii) there will have occurred a general suspension of trading on the New York Stock Exchange or the declaration of a general banking moratorium by the United States, New York State or California State authorities; (iv) there will have occurred a withdrawal or downgrading of any rating assigned to any securities of the City by a national municipal bond rating agency; (v) any Federal or California court, authority or regulatory body will take action materially and adversely affecting the ability of a developer to proceed with the development as contemplated by the Official Statement; (vi) an event described in paragraph 12 hereof occurs which in the opinion of the Authority requires a supplement or amendment to the Official Statement, and such supplement or amendment is not agreed to by the City; and

(e) On or prior to the Closing Date, the Authority will have received each of the following documents:

(1) All documents and opinions required to be received by the Trustee prior to the application of proceeds of the Authority Bonds to the purchase of the Local Obligations;

(2) Opinions, in form and substance satisfactory to the City and the Authority, dated as of the Closing Date, of Bond Counsel, approving, without qualification, the validity of the Local Obligations;

(3) A certificate dated the Closing Date, addressed to the Authority and the Original Purchaser, signed by a City official having knowledge of the facts to the effect that:

(i) The representations and warranties of the City contained herein are true and correct in all material respects on and as of the Closing Date as if made on the Closing Date;

(ii) Except as described in the Official Statement, there is no action, suit, proceeding or investigation before or by any court, public board or body pending or threatened, wherein an unfavorable decision, ruling or finding would: (A) affect the creation, organization, existence or powers of the City, or the titles of its members and officers to their respective offices, (B) enjoin or restrain the issuance, sale and delivery of the Local Obligations, the levy or collection of the Special Taxes or any other moneys or property pledged or to be pledged under the Resolution or the Fiscal Agent Agreement, or the pledge thereof, (C) in any way question or affect any of the rights, powers, duties or obligations of the City with respect to the moneys and assets pledged or to be pledged to pay the principal of, premium, if any, or interest on the Local Obligations, (D) in any way question or affect any authority for the issuance of the Local Obligations, or the validity or enforceability of the Local Obligations, the Resolution or the City Documents, or (E) in any way question or affect this Purchase Agreement or the transactions contemplated by the City Documents, the Resolution, the Official Statement or the documents referred to in the Official Statement;

(iii) The City has complied with all agreements, covenants and arrangements, and satisfied all conditions, on its part to be complied with or satisfied on or prior to the Closing Date; and

(iv) To the best of its knowledge, no event affecting the City has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is necessary to disclose therein in order to make the statements not misleading in any respect;

(4) An opinion, dated the Closing Date and addressed to the City, the Authority and the Original Purchaser, of the City Attorney, to the effect that (A) the City Documents have been duly authorized, executed and delivered by, and, assuming due authorization, execution and delivery, constitute the legal, valid and binding agreement of the City enforceable in accordance with their terms, except as such enforceability may be limited by the application of equitable principles if equitable remedies are sought, (B) the Resolution has been duly adopted, is in full force and effect and has not been modified, amended or rescinded, and (C) except as described in the Official Statement, there is no action, suit, proceeding or investigation before or by any court, public board or body pending or threatened, wherein an unfavorable decision, ruling or finding would: (i) affect the creation, organization, existence or powers of the City or the District; (ii) enjoin or restrain the issuance, sale and delivery of the Local Obligations, the levy and collection of the Special Taxes or the pledge of the Special Taxes and other amounts pledged or to be pledged under the Fiscal Agent Agreement or the pledge thereof; (iii) in any way question or affect any of the rights, powers, duties or obligations of the City with respect to the moneys and assets pledged or to be pledged to pay the principal of, premium, if any, or interest on the Local Obligations; (iv) in any way question or affect any authority for the issuance of the Local Obligations, or the validity or enforceability of the Local Obligations, the Resolution or the City Documents; (v) in any way question or affect this Purchase Agreement or the transactions contemplated by the City Documents, the Official Statement or the documents referred to in the Official Statement and (vi) the statements in the Official Statement relating to the City are true and accurate;

(5) Such additional legal opinions, certificates, instruments and documents as the Authority may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the City's representations and warranties contained herein and of the statements and information contained in the Official Statement;

(6) An executed copy of the Fiscal Agent Agreement; and

(7) The Resolution, certified by authorized officers as a true copy and/or as having been adopted or executed (as applicable), with only such amendments, modifications or supplements as may have been agreed to by the Authority and the Original Purchaser.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement will be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Authority, but

the approval of the Authority will not be unreasonably withheld. Receipt of, and payment for, the Local Obligations will constitute evidence of the satisfactory nature of such as to the Authority. The performance of any and all obligations of the City hereunder and the performance of any and all conditions contained herein for the benefit of the Authority may be waived by the Authority in its sole discretion.

If the City will be unable to satisfy the conditions to the obligations of the Authority to purchase, accept delivery of and pay for the Local Obligations contained in this Purchase Agreement, or if the obligations of the Authority to purchase, accept delivery of and pay for the Local Obligations will be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement will terminate, and neither the Authority nor the City will be under further obligation hereunder, except that the respective obligations of the City and the Authority set forth in paragraphs 14 and 15 hereof will continue in full force and effect.

13. The Authority and the City will determine which portion of expenses incurred in connection with issuance of the Authority Bonds and the Local Obligations will be paid by each respective entity, in such proportion as is in compliance with all applicable laws.

14. To the extent permitted by law, the City will indemnify and hold harmless the Authority and the Trustee, and their respective officers, directors, employees and agents, against any and all losses, claims, damages, liabilities, costs and expenses (including without limitation fees and disbursements of counsel and other expenses) incurred by them or any of them in connection with investigating or defending any loss, claim, damages, liability or any suit, action or proceeding, joint or several, to which they or any of them may become subject under the laws of the State of California or under federal tax law, insofar as such losses, claims, damages, liabilities, costs and expenses (or any suit, action or proceeding in respect thereof) arise out of or are based upon the issuance and sale of the Local Obligations or any untrue statement or alleged untrue statement of a material fact contained in the Official Statement or in any amendment or supplement thereto, or any omission or alleged omission to state therein a material fact relating to the City, the District or the Local Obligations which is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. This indemnity agreement will be in addition to any liability which the City or the District may otherwise have.

15. This Purchase Agreement is made solely for the benefit of the City and the Authority (including their successors and assigns), and no other person will acquire or have any right hereunder or by virtue hereof. All of the City's representations, warranties and agreements contained in this Purchase Agreement will remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of the Authority or (ii) delivery of and payment for the Local Obligations pursuant to this Purchase Agreement. The agreements contained in this paragraph and in paragraph 14 will survive any termination of this Purchase Agreement.

16. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute but one and the same instrument.

17. In case any one or more of the provisions contained herein will for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provision hereof.

18. The validity, interpretation and performance of this Purchase Agreement will be governed by the laws of the State of California.

[Signature Page Follows]

IN WITNESS WHEREOF, the Authority and the City have caused this Purchase Agreement to be executed by their duly authorized officers all as of the date first above written.

**PITTSBURG PUBLIC FINANCING
AUTHORITY**

By: _____
Executive Director

CITY OF PITTSBURG, *on behalf of Community
Facilities District 2009-01 (San Marco)*

By: _____
City Manager

EXHIBIT A

Schedule of Bond Maturities, Principal Amounts and Interest Rates

Local Obligations

Maturity Date (September 1)	Principal Amount	Interest Rate	Maturity Date (September 1)	Principal Amount	Interest Rate

**AMENDMENT TO
ACQUISITION, FUNDING AND DISCLOSURE AGREEMENT

CITY OF PITTSBURG
COMMUNITY FACILITIES DISTRICT NO. 2009-01 (SAN MARCO)**

This Amendment to Acquisition, Funding and Disclosure Agreement (this "Amendment") is entered into as of _____, 2026, by and among the CITY OF PITTSBURG, a municipal corporation (the "City"), WEST COAST HOME BUILDERS, INC., SEECOM FINANCIAL & CONSTRUCTION CO., INC., AND SAN MARCO PROPERTIES, LLC (collectively, the "Developer").

WHEREAS, the City in 2009 formed its City of Pittsburgh Community Facilities District No. 2009-01 (San Marco) (the "District") and

WHEREAS, the District is authorized to fund certain public improvements, and in connection therewith the City and the Developer entered into that certain Acquisition, Funding and Disclosure Agreement dated as of April 5, 2010 (the "Agreement") which provided, among other things, that the Developer will be reimbursed for costs of construction of certain public improvements, according to the terms of and as more specifically provided in the Agreement, including Exhibit A thereto; and

WHEREAS, to date no bonds have been issued for the District and reimbursements to the Developer pursuant to the Agreement have been from certain special taxes levied within the District and passed through by the City to the Developer on a "pay-as-you go" basis; and

WHEREAS, the City and Developer contemplate issuing a series of bonds for the District (the "2026 Bonds") and in connection with such issuance desire to enter into this Amendment to set forth certain terms related to (i) proceeds of the 2026 Bonds, (ii) pay-as-you go funds generated through the levy of special taxes in the future, and (iii) special taxes collected to date and currently held by the City; and

WHEREAS, to implement the foregoing, the City and the Developer desire to amend the Agreement pursuant to the terms of this Amendment.

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the parties agree the following amendments to the Agreement:

1. Proceeds of the 2026 Bonds. Proceeds of the 2026 Bonds net of Expenses, the City Administrative Fee, capitalized interest, if any, and the debt service reserve shall be deposited into the Acquisition Fund and used for purchase of the Acquisition Improvements as set forth in the Agreement.

2. Description of Acquisition Improvements. Exhibit A to the Agreement is hereby deleted in its entirety and replaced with Exhibit A attached to, and incorporated in, this Amendment.

3. Future “Pay-As-You-Go” Funding. The City and the Developer recognize and acknowledge that the proceeds of special tax collections described in Section 1.04(a)(iii) of the Agreement represent the amounts available for “pay-as-you-go” funding. Section 1.04(a)(iii) is amended as follows:

“...(iii) the balance shall be deposited in a City Improvements Fund to be created in the bond documentation, all amounts in such fund shall exclusively be available to and utilized by the City and at the City’s sole discretion for the cost of any public improvements authorized to be funded by the District, but in no event shall any of the amounts in such fund be used for any other purpose other than the costs associated with the public improvements located within the boundaries of the District, unless otherwise allowed by the District and for the benefit of the District.

4. Special Tax Collections Currently Held. The City is currently in possession of \$2,240,396 of special taxes (the “Available Taxes”), not including accrued interest for Fiscal Year 2025-26, in that such interest has not yet been posted. The City and Developer agree that such amount shall be distributed as follows: (i) \$1,120,198, shall be disbursed to the Developer on or before 10 days following the date of closing of the 2026 Bonds, plus one-half of the interest accrued for Fiscal Year 2025-26 when available, as the last and final distribution of pay-as-you-go funding to which the Developer is entitled to under the Agreement as it existed prior to this Amendment, and (ii) \$1,120,198, plus one-half of the interest accrued for Fiscal Year 2025-26 shall be available to the City to be utilized by the City and at the City’s sole discretion for the cost of any public improvements authorized to be funded by the District. Special tax collections beginning in Fiscal Year 2026-27 and thereafter shall be available to the City as set forth in Section 3 of this Amendment.

This Amendment amends, but does not replace or supersede, the Agreement as originally entered into, except as specified herein and as otherwise needed or necessary to be interpreted to implement the terms of this Amendment.

This Amendment may be executed in counterparts.

IN WITNESS WHEREOF, the parties have caused this Amendment to Acquisition, Funding and Disclosure Agreement to be signed as of the date first above written.

CITY OF PITTSBURG

By: _____
Darin Gale
City Manager

DEVELOPER

West Coast Home Builders, Inc.

By: _____

Its: _____

Seecon Financial & Construction Co., Inc.

By: _____

Its: _____

San Marco Properties, LLC

By: _____

Its: _____

**EXHIBIT A
DESCRIPTION OF ACQUISITION IMPROVEMENTS**

COMMUNITY FACILITIES DISTRICT 2009-01
(SAN MARCO)
CITY OF PITTSBURG, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA

<u>ITEM #</u>	<u>DESCRIPTION OF IMPROVEMENTS</u>	<u>UNIT</u>	<u>QUANTITY</u>	<u>UNIT PRICE</u>	<u>BUDGETED AMOUNT</u>
A.	<u>PREVIOUSLY REIMBURSED ACQUISITION IMPROVEMENTS</u>				
1.	Acquisition Improvements previously acquired and/or reimbursed from Special Tax revenues pursuant to the Agreement	L.S.	1	\$14,000,000.00	\$14,000,000.00
	SUBTOTAL -- PREVIOUSLY REIMBURSED ACQUISITION IMPROVEMENTS				\$14,000,000.00
B.	<u>SAN MARCO UNITS 9 & 10 ACQUISITION IMPROVEMENTS</u>				
1.	Final design, engineering, construction, fees and related public improvement costs	L.S.	1	\$8,699,735.00	\$8,699,735.00
	SUBTOTAL -- SAN MARCO UNITS 9 & 10				\$8,699,735.00
C.	<u>SAN MARCO UNITS 11 & 12 AND RELATED PRO-RATA ACQUISITION IMPROVEMENTS</u>				
1.	Final design, engineering, construction, fees and related public improvement costs	L.S.	1	\$17,907,553.00	\$17,907,553.00
	SUBTOTAL -- SAN MARCO UNITS 11 & 12 AND PRO-RATA IMPROVEMENTS				\$17,907,553.00
D.	<u>SAN MARCO UNIT 13 ACQUISITION IMPROVEMENTS</u>				
1.	Final design, engineering, construction, fees and related public improvement costs	L.S.	1	\$11,651,070.00	\$11,651,070.00
	SUBTOTAL -- SAN MARCO UNIT 13				\$11,651,070.00
TOTAL ESTIMATED PUBLIC IMPROVEMENTS AND EXPENSES					\$52,258,358.00



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Mayor and Council Members

FROM: Darin E. Gale, City Manager
Sara Bellafronte, Assistant to the City Manager

SUBJECT: Introduce and Waive First Reading of an Ordinance Adding Chapter 9.19 to the Pittsburg Municipal Code Regulating Open Fires

EXECUTIVE SUMMARY

Staff requests that the City Council introduce and waive the first reading of an Ordinance adding Chapter 9.19, "Open Fires," to Title 9 of the Pittsburg Municipal Code, establishing rules governing open fires, fire pits, BBQ pits, and bonfires on City parks and public property in order to reduce fire hazards and protect public health and safety. Staff recommends introduction of the Ordinance at this meeting, with second reading and adoption to follow at a subsequent regular meeting.

FISCAL IMPACT

There is no direct impact on the General Fund associated with introduction of the Ordinance. Any associated fees intended to recover the City's maintenance and administrative costs will be established by separate City Council action.

RECOMMENDATION

City Council move to introduce and waive the first reading of an Ordinance adding Chapter 9.19, "Open Fires," to Title 9 of the Pittsburg Municipal Code, regulating open fires, fire pits, BBQ pits, and bonfires within City parks and on public property.

BACKGROUND

The Pittsburg Municipal Code does not currently contain a comprehensive chapter regulating open fires, fire pits, BBQ pits, or bonfires on City parks and public property. As use of City parks and shoreline areas has grown, staff have identified a need for clear

rules addressing fire safety, particularly given the City's proximity to environmentally sensitive shoreline habitat, increasing wildfire risk, and the region's recurring Red Flag Warnings, Spare the Air Alerts, and BAAQMD burn restrictions.

Under existing conditions, enforcement staff have lacked a dedicated regulatory framework specific to open fire activity, relying instead on general nuisance, fire code, and park rule provisions that do not squarely address fire pits, BBQ pits, bonfires, or the use of accelerants and prohibited fuels. The proposed Ordinance closes this gap by adding a new Chapter 9.19 to Title 9 of the PMC dedicated exclusively to open fire regulation, consistent with the requirements of the California Fire Code, Con Fire, and BAAQMD Regulation 6, Rule 3.

SUBCOMMITTEE FINDINGS

This item was not considered at a subcommittee.

STAFF ANALYSIS

The proposed Ordinance is organized into 17 sections and applies City-wide to all City parks, open spaces, trails, shoreline areas, and public property. Key provisions include:

- Weather and Air Quality Conditions: All fires, including those in City-owned Designated Devices, are automatically prohibited during a Red Flag Warning, a Spare the Air Alert, a Burn Ban issued by BAAQMD or Con Fire, or when sustained winds exceed 15 mph or gusts exceed 25 mph. Users are responsible for verifying conditions before igniting any fire.
- City-Owned Designated Devices: Wood-burning and charcoal use in City-owned fire pits and BBQ pits is permitted only when a Supervising Adult is present, only Seasoned Firewood or approved charcoal is used, a 10-foot clearance from combustibles is maintained, and suppression equipment is on hand. Fire Pits may only be used between 3:00 p.m. and 9:00 p.m., and BBQ Pits may only be used between sunrise and 9:00 p.m., with extinguishment for all beginning by 8:30 p.m.
- Portable BBQ Pits and Fire Pits: Portable charcoal, seasoned wood, or propane BBQ pits, and portable propane fire pits, require a City Special Event Permit; portable wood-burning fire pits remain prohibited City-wide.
- Bonfires: Bonfires are prohibited on all City parks and public property with no exemption for cultural, ceremonial, or recreational use.
- Special Event Permits: Any fire use in a device other than a City-owned Designated Device requires a Special Event Permit, including a site plan, safety and suppression plan, proof of outside agency permits, and proof of insurance. Fees will be set by separate Council resolution.
- Reservations: Use of City-owned fire pits requires an advance, first-come, first-served reservation through the Recreation Department, limited to adults 18 years of age or older acting as the Supervising Adult as defined in the proposed Ordinance.
- Environmental Protection: Fires are prohibited in shoreline habitat, environmentally sensitive areas, and creek zones regardless of permit status,

and burning of garbage, plastics, and treated or painted wood is prohibited at all times.

- Enforcement: The Ordinance may be enforced by the Pittsburg Police Department, Code Enforcement Division, Public Works Department, and Recreation Department through administrative citations, removal from City property, and permit or reservation revocation, consistent with the penalty schedule in PMC 1.20.

Staff has coordinated with Contra Costa County Fire Protection District policies and reviewed applicable Bay Area Air Quality Management District Regulation 6, Rule 3 requirements in drafting the Ordinance.

ATTACHMENTS: Ordinance Adding Chapter 9.19, "Open Fires," to Title 9 of the Pittsburg Municipal Code

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Amending Pittsburg Municipal Code Title 9)
To Add Chapter 9.19 Regulating Open Fires)

ORDINANCE NO. 26-

WHEREAS, the City of Pittsburg (City) owns and maintains numerous parks, open spaces, trails, and shoreline areas that are used by the public for recreation, including areas where open fires, fire pits, BBQ pits, and bonfires may occur; and

WHEREAS, uncontrolled open fires, portable fire pits, and bonfires on City parks and public property pose risks to public health and safety, including risk of injury, wildfire, and damage to environmentally sensitive shoreline habitat; and

WHEREAS, the Contra Costa County Fire Protection District (CCCFPD) and the Bay Area Air Quality Management District (BAAQMD), including BAAQMD Regulation 6, Rule 3 governing wood-burning devices, impose requirements applicable to outdoor burning, and it would be beneficial to public health and safety to establish municipal code provisions consistent with those requirements.

NOW, THEREFORE, the City Council of the City of Pittsburg Does ORDAIN as follows:

SECTION 1. Amendment. Chapter 9.19 is hereby added to the Pittsburg Municipal Code Title 9 to read as follows:

Chapter 9.19

OPEN FIRES

9.19.010. Purpose

The purpose of this Chapter is to regulate open fires, including fire pits, BBQ pits, and bonfires, within City parks and open spaces to protect public health and safety, reduce fire hazards, and promote safe recreation. This Chapter ensures compliance with the California Fire Code, the Contra Costa County Fire Protection District (Con Fire), and the Bay Area Air Quality Management District (BAAQMD), including BAAQMD Regulation 6, Rule 3 (Wood-Burning Devices), as each may be amended from time to time.

9.19.020. Definitions

As used in this Chapter, the following terms have the meanings set forth below:

"Accelerant" means any flammable liquid or chemical agent used to initiate or intensify combustion, including but not limited to lighter fluid, gasoline, kerosene, or alcohol-based fuels.

"BBQ Pit" means a permanent or portable charcoal or propane barbecue or smoker designed primarily for cooking.

"Bonfire" means a large, intentionally ignited outdoor fire, typically for ceremonial, recreational, or cultural purposes.

"Burn Ban" means any outdoor burning prohibition issued by BAAQMD or Con Fire.

"Designated Device" means any City-installed fire pit or BBQ pit approved for public use and identified by the Public Works Department pursuant to this Chapter.

"Fire Pit" means a permanent or portable device designed to contain wood or charcoal for heating or ceremonial purposes.

"Open Fire" means any flame or combustion not entirely contained within a manufactured device designed for cooking or heating.

"Park" means any City-owned park, recreation area, trail, open space, or shoreline area governed by the Pittsburg Municipal Code (PMC).

"Public Property" means all public property including, but not limited to, streets, sidewalks, alleys, improved or unimproved land and parks, as further defined in PMC 9.27.

"Red Flag Warning" means a fire weather warning issued by the National Weather Service indicating conditions of high fire danger, including low humidity, high temperatures, and/or strong winds.

"Seasoned Firewood" means wood with a moisture content of less than twenty percent (20%) by weight, as defined by BAAQMD Regulation 6, Rule 3.

"Spare the Air Alert" means an air quality advisory or mandatory curtailment notification issued by the Bay Area Air Quality Management District (BAAQMD) prohibiting the use of wood-burning devices, outdoor fire pits, or other solid-fuel-burning devices, as issued pursuant to BAAQMD Regulation 6, Rule 3, as amended from time to time.

"Supervising Adult" means a person eighteen (18) years of age or older who is physically present within ten (10) feet of a fire device at all times while the fire is lit and is responsible for the safe operation and extinguishment of the fire.

9.19.030. General Prohibitions

The following are prohibited within all City Parks and Public Property:

1. Open fires, fire pits, and bonfires, except as expressly permitted by this Chapter.

2. Wood-burning in any device other than a City-owned Designated Device used in compliance with this Chapter.
3. Portable fire pits using wood, charcoal, or other solid fuels.
4. Bonfires. (See also Section 6.)
5. All outdoor fires including fires in City-owned fire pits and charcoal BBQ devices, during any Red Flag Warning, Spare the Air Alert, or Burn Ban.
6. Disposal of hot ashes, coals, or embers on the ground, in regular trash containers, or in any container other than a City-designated metal ash receptacle.
7. Use of Accelerants to intensify any fire, with the exception of starting the fire.
8. Burning of treated wood, painted wood, pallets, garbage, plastics, or other materials that produce toxic smoke.
9. Igniting or maintaining any fire during park curfew hours as established by PMC 9.96 (10:00 pm – sunrise).
10. Igniting or maintaining any fire in any Fire Pit outside the hours of 3:00pm and 9:00pm.
11. Igniting or maintaining any fire in any BBQ pit outside the hours of sunrise and 9:00pm.
12. Any fire by a person who is under the influence of alcohol or a controlled substance.

9.19.040. Weather and Air Quality Conditions

A. Automatic Prohibition. No fire of any kind shall be ignited or maintained when any of the following conditions exist:

1. A Red Flag Warning is in effect for the City of Pittsburg or Contra Costa County;
2. A Spare the Air Alert is in effect (year-round, as issued by BAAQMD pursuant to Regulation 6, Rule 3, as amended); or
3. A Burn Ban has been issued by BAAQMD or Con Fire.

B. Wind Conditions. Fires are prohibited when sustained winds exceed fifteen (15) miles per hour or wind gusts exceed twenty-five (25) miles per hour, as measured or forecast by the National Weather Service.

C. User Responsibility. It is the responsibility of the user to verify, prior to igniting any fire, whether a Red Flag Warning, Spare the Air Alert, Burn Ban, or wind restriction is in effect. Ignorance of applicable weather or air quality conditions is not a defense to a violation of this Chapter.

D. City Signage and Notice. The City shall post notices of active burn restrictions at park entrances and on the City website. Posting of notice is for public convenience only and does not relieve users of the responsibility set forth in subsection (C).

9.19.050. Use of City-Owned Designated Devices

A. Authorized Locations. Designated Devices may be used only in designated parks and areas identified by the Public Works Department. A current list of Designated Devices locations shall be maintained on the City website and posted at each Park.

B. Wood-Burning and Charcoal Use. The City may permit wood-burning or charcoal use in City-owned Designated Devices when all of the following conditions are met:

1. No Red Flag Warning, Spare the Air Alert, or Burn Ban is in effect, and sustained winds do not exceed fifteen (15) miles per hour.
2. The fire is supervised by a Supervising Adult at all times.
3. Only Seasoned Firewood is used as fuel for City-owned Fire Pits. Treated wood, painted wood, pallets, trash, plastics, or Accelerants are prohibited.
4. Only Seasoned Firewood or charcoal is used as fuel for City owned BBQ Pits. Treated wood, painted wood, pallets, trash, plastics, or Accelerants are prohibited.
5. Individual pieces of firewood shall not exceed eighteen (18) inches in length. The total fuel load shall not cause flames to extend more than twelve (12) inches above the rim of the fire pit.
6. Fire size is contained within the physical boundaries of the fire pit at all times.
7. Only adults (persons 18 years of age or older) may ignite a fire or add fuel to a fire. Minors may not operate fire devices, even under adult supervision.
8. A ten-foot (10') clearance from vegetation, structures, and other combustible materials is maintained at all times.
9. Water, sand, or a fire extinguisher rated at minimum 2A:10B:C is immediately available within ten (10) feet of the fire.

C. Propane Fire Features. Propane-based City-owned fire features may be used without a permit unless a Red Flag Warning, Spare the Air Alert, Burn Ban, or wind restriction under Section 4 is in effect. Propane features shall: (1) include a functional on/off shutoff mechanism; (2) be inspected and certified as safe by City staff or a licensed contractor at least once annually; and (3) maintain a ten-foot (10') clearance from combustible materials.

D. Extinguishment and Ash Disposal. Users must fully extinguish all fires. Ash disposal on the ground or in any container other than a City-designated metal ash receptacle is prohibited.

E. Spark Arrestors (Lid). City-owned wood-burning fire pits are equipped with a functional spark arrestor screen (lid). Use of a City-owned fire pit without its lid in place is prohibited.

Section 9.19.060. Portable BBQ Pits and Portable Fire Pits

A. Portable Charcoal, Seasoned Wood, or Propane BBQ Pits. Portable charcoal, Seasoned Wood, or propane BBQ Pits may be used only in areas approved by the City and only when a City of Pittsburgh Special Event Permit has been obtained. They must be placed at least ten (10) feet from vegetation, structures, or other combustible materials.

B. Portable Propane Fire Pits. Portable propane fire pits (non-cooking) may be permitted in designated areas pursuant to a Special Event Fire Permit if they: (1)

include a functional on/off shutoff mechanism; (2) maintain a ten-foot (10') clearance from combustible materials; and (3) are not used during any Red Flag Warning, Spare the Air Alert, Burn Ban, or wind restriction. They must be placed at least ten (10) feet from vegetation, structures, or other combustible materials.

C. Portable Wood-Burning Fire Pits. Portable wood-burning fire pits are prohibited in Parks and Public Spaces.

9.19.070. Bonfires and Special Use Fire Activities

1. General Prohibition. Bonfires are prohibited within all City Parks and on all Public Property.

B. No Exemption for Cultural or Ceremonial Use. No permit or exception for Bonfires shall be issued under this Chapter, regardless of cultural, ceremonial, or recreational purpose.

9.19.080. Special Event Permit for Fires

A. Permit Required. A Special Event Permit is required for any activity in a Park or on Public Property that involves use of fire in any device other than a City-owned Designated Device.

B. Application Requirements. Applications must include:

1. Site plan showing fire device location, clearances, and proximity to structures, vegetation, and public pathways;
2. Safety and fire suppression plan, including a description of suppression equipment on hand;
3. Designation for time of use;
4. Description of fuel types and quantities to be used;
5. Supervision plan identifying the Supervising Adult(s) responsible;
6. Proof of all required permits from outside agencies (Con Fire, Contra Costa County Health, BAAQMD, or other applicable agencies);
7. Certificate of liability insurance in amounts required by the City;
8. Any other information required by the City.

C. Fees. Permit and reservation fees shall be established by City Council Resolution and are subject to change. No permit shall be issued until all applicable fees have been paid.

D. Conditions. The City may impose conditions on any Special Event Permit, including limitations on fire size, fuel type, hours of operation, and required safety staffing.

E. Denial and Revocation. The City may deny or revoke a permit for any reason including but not limited to failure to comply with the requirements of this Chapter, for misrepresentation in the application, or for any condition that poses an unreasonable risk to public safety.

9.19.090. Safety Requirements

The following safety requirements apply to all fires permitted under this Chapter:

1. A Supervising Adult must be physically present at all times while any fire is lit or device remains hot.
2. Only adults (18 years of age or older) may ignite a fire or add fuel to a fire device.
3. Water, sand, or a fire extinguisher rated at minimum 2A:10B:C must be immediately available within ten (10) feet of the fire device.
4. Fires must be fully extinguished before the user leaves the area.
5. A ten-foot (10') clearance must be maintained around any fire device, free from vegetation, combustible materials, and structures.
6. No more than the permitted party may occupy the ten-foot (10') clearance zone around any fire device. All others must remain outside the clearance zone.
7. Users with fires in Designated Devices must begin extinguishing by 8:30pm. Fires in Designated Devices must be fully extinguished by 9:00pm.
8. Users shall not ignite or maintain any fire in any Fire Pit outside the hours of 3:00 pm and 9:00 pm.
9. Users shall not ignite or maintain any fire in any BBQ pit outside the hours of sunrise and 9:00pm.
10. Users must comply with all signage posted at the fire device or designated fire area.

9.19.100. Environmental Protection

A. Restricted Areas. Fires are prohibited in shoreline habitat areas, environmentally sensitive areas, and creek zones, regardless of permit status.

B. Prohibited Materials. Burning of garbage, plastics, treated or painted wood, pallets, wrapping paper, or other materials that produce toxic or excessive smoke is prohibited at all times, regardless of permit status.

C. Compliance with BAAQMD. All fire activities under this Chapter are subject to BAAQMD Regulation 6, Rule 3, and all other applicable air quality regulations, as amended from time to time.

9.19.110. Required Signage

The City shall post conspicuous signage at or near each City-owned fire pit area setting forth:

1. A summary of rules applicable to that fire device or area, with reference to this PMC Chapter 9.19;
2. Resources for checking current alert status (e.g., The Bay Area Air Quality management District's sparetheair.org page and the National Weather Service's Fire Weather page weather.gov/wrh/CAFW);
3. Reservation instructions for reserving and accessing applicable Designated Devices;

4. Contact information for applicable City departments and outside agency emergency services

9.19.120. Reservations for City-Owned Fire Pits

1. Minimum Age for Rental of City-Owned Fire Pits. The minimum age for renting a City-owned Fire Pit is eighteen (18) years.
 2. Supervising Adult. All reservations of City-owned Fire Pits must be made by a Supervising Adult. Supervising Adults must be able to show age-verifying identification and must remain inside the fire pit area within ten (10) feet of a fire device at all times while the fire is lit.
100. First-Come, First-Served Reservations. Use of City-owned Fire Pits requires prior reservation. Reservations shall be granted on a first-come, first-served basis. .
4. How to Reserve. Users may reserve a City-owned Fire Pit through the Recreation Department by:
 1. Submitting an online reservation request through the City's recreation registration system; or
 2. Calling or visiting the Recreation Department during normal business hours.
 5. Confirmation. A reservation is not final until confirmed by the City in writing. The City may issue a reservation permit or confirmation notice that must be available for inspection at the park upon request by any authorized enforcement officer.
 6. Conditions. The City may impose conditions on any reservation including:
 1. Maximum occupancy of the designated fire area: 20
 2. Required safety equipment;
 3. Time of use;
 4. Age of users;
 5. Reservation exclusions due to safety, conflicting events, or other reasons;
 6. Prohibited fuel types;
 7. Clean-up responsibilities; and
 8. Weather-related restrictions, including automatic cancellation during Red Flag Warnings, Spare the Air Alerts, or Burn Bans.

G. City-Initiated Cancellations. The City may cancel reservations for any reason including but not limited to weather, unsafe conditions, conflicting uses of the nearby

amenities, maintenance, or fire danger. In the event of a City-initiated cancellation, permit holders shall receive a full refund or credit of any fees paid.

H. Failure to Comply. Failure to comply with reservation terms or the provisions of this Chapter may result in permit revocation, administrative citation, fines, and/or denial of future reservations.

I. Accessibility. The City shall provide reasonable accommodations for persons with disabilities in the reservation process and in the designation and maintenance of Fire Pit areas, consistent with applicable state and federal accessibility standards.

9.19.130. Enforcement

A. Authorized Enforcement. This Chapter may be enforced by the Pittsburgh Police Department, Code Enforcement Division, Public Works Department, and Recreation Department.

B. Penalties. Violations may result in:

1. Administrative citations and fines consistent with the schedule established in PMC 1.20, as amended;
2. Removal from the Park or Public Property;
3. Permit or reservation revocation; and/or
4. Denial of future reservation or permit requests.

C. Cost Recovery. The City may recover all costs associated with emergency response, cleanup, and fire suppression from the responsible party, including but not limited to any Supervising Adults and reservation-holders, to the full extent permitted by law.

9.19.140. Liability

Users are liable for any damages, injuries, or fire suppression costs resulting from unauthorized or unsafe fire use in violation of this Chapter or any other applicable law. The City's authorization of fire use in designated areas does not constitute assumption of liability for harm caused by a user's negligence or violations of this Chapter.

Section 2. Severability

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable.

Section 3. Effective Date

This ordinance shall take effect thirty (30) days after adoption by the City Council.

SECTION 4. Publication.

The ordinance shall be posted and published in accordance with the California Government Code.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Pittsburg held on August 17, 2026, and was adopted and ordered published at a regular meeting of the City Council held on _____, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dionne Adams, Mayor

ATTEST:

Alice E. Evenson, City Clerk



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Mayor and Council Members

FROM: Darin E. Gale, City Manager
John Samuelson, Public Works Director/City Engineer
Natasha Farmer, Administrative Analyst II

SUBJECT: Adoption of City Council Resolution authorizing the City Manager to execute a Purchase Order with GCS Environmental Equipment for one (1) new 2027 Freightliner M2 / Tymco 600 Street Sweeper for a total amount not to exceed \$415,023.27

EXECUTIVE SUMMARY

This action authorizes the scheduled replacement of a critical Public Works street sweeper using a competitively solicited cooperative purchasing contract. City Council approval is necessary to meet the manufacturer's September 4, 2026 ordering deadline for the 2027 model year.

FISCAL IMPACT

The total cost for the 2027 Freightliner M2 / Tymco 600 Street Sweeper is \$415,023.27, \$34,976.34 below the authorized budget of \$450,000. Sufficient funding is available in the approved FY 2026/27 Public Works Street Operations Equipment budget (110-05-PWORK-STREET-11010-000000-730050). No additional funds are requested.

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a Purchase Order with GCS Environmental Equipment for one (1) new 2027 Freightliner M2 / Tymco 600 Street Sweeper through Sourcewell Cooperative Contract #062425 for a total amount not to exceed \$415,023.27.

BACKGROUND

The City's current street sweeper has reached the end of its useful service life and requires immediate replacement. Over recent budget cycles, the unit has experienced a marked increase in mechanical breakdowns and unscheduled downtime. Continuing to maintain this vehicle is no longer financially prudent; escalating repair costs and scarce replacement parts make ongoing maintenance significantly more expensive than replacement.

This acquisition aligns directly with the City's scheduled Vehicle and Equipment Replacement Program. Timely replacement of fleet units minimizes maintenance expenditures, prevents operational disruptions, and preserves required service levels across Pittsburgh neighborhoods and commercial corridors. Furthermore, dependable street sweeping operations are essential for keeping roadways clean, preventing storm drain blockages, and ensuring compliance with regional National Pollutant Discharge Elimination System (NPDES) stormwater quality regulations.

To secure competitive pricing and streamline administrative overhead, staff leveraged Sourcewell Contract #062425. As a public cooperative purchasing agency, Sourcewell conducts competitive, public solicitations on behalf of government entities nationwide. Utilizing this contract satisfies municipal bidding requirements while securing leveraged pricing from the vendor, GCS Environmental Equipment.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

STAFF ANALYSIS

Due to ongoing lead times across the heavy equipment manufacturing sector, timing for this procurement is critical. The Original Equipment Manufacturer (OEM) requires a finalized Purchase Order prior to September 4, 2026, to secure production queue placement for the 2027 model year. Once purchased, the estimated delivery window is 210 to 270 days following receipt of the order.

Staff recommends the City Council approve the procurement to provide staff with the necessary lead time to issue the Purchase Order and avoid extended delivery delays or model year price increases.

ATTACHMENTS: Resolution
GCS Environmental Equipment Quote (Sourcewell #062425)

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter Of:

Authorizing Purchase of New)
Street Sweeper Truck)

RESOLUTION NO. 26-

WHEREAS, the City's Public Works Department is responsible for the care and maintenance of the City's fleet, ensuring required service levels across Pittsburgh neighborhoods and commercial corridors; and

WHEREAS, one of the City's current street sweepers has reached the end of its useful service life, experiencing a marked increase in mechanical breakdowns, unscheduled downtime, escalating repair costs, and scarce replacement parts; and

WHEREAS, dependable street sweeping operations are essential for maintaining clean roadways, preventing storm drain blockages, and ensuring compliance with regional National Pollutant Discharge Elimination System (NPDES) stormwater quality regulations; and

WHEREAS, to secure competitive pricing and streamline administrative overhead, City staff utilized Sourcewell Contract #062425, a competitively solicited public cooperative purchasing agreement conducted on behalf of government entities nationwide; and

WHEREAS, utilizing Sourcewell Contract #062425 satisfies the City's municipal bidding requirements while securing leveraged pricing from the vendor, GCS Environmental Equipment;

WHEREAS, sufficient funds to accommodate the purchase are available in the Street Maintenance Operating Budget previously approved by the City Council for FY 2026/27.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Pittsburgh hereby authorizes the City Manager to execute a Purchase Order with GCS Environmental Equipment, pursuant to Sourcewell Contract #062425, for the purchase of a replacement street sweeper in an amount not to exceed \$415,023.17.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 17th day of August 2026 by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dionne Adams, Mayor

ATTEST:

Alice E. Evenson, City Clerk

Sweeper Quote

Sweeper Model: Model 600®

Sourcewell Contract #: 062425 (Dec. 11, 2025 - Oct. 27, 2029)



Customer:	City of Pittsburg, CA
Sourcewell Member #:	86776
Customer Contact Name:	Greg Justice
TYMCO® Dealer:	GCS Environmental Equipment
Quote Date:	7/27/2026
Quote Validity:	30 Days
Quoted By:	Kaye Morgan
FOB:	Pittsburg, CA
Delivery ARO:	210 - 270 Days - See NOTE Below

Purchasing Details: Issue Purchase Orders to TYMCO, Inc., ATTN: Kaye Morgan

(kaye.morgan@tymco.com | 254-799-5546).

Quote is Good for 30 Days (Unless Otherwise Noted Above) | Pricing is Quoted in US Dollars (USD) | Payment Terms: Net 30 Days

Model 600® Sweeper Standard Equipment

Auxiliary Engine: John Deere diesel turbocharged 4045T Final Tier 4; 4 cylinder; 4.5 L (275 CID); 99 HP @ 2200 RPM; Torque 315 ft. lb. @ 1600 RPM; fuel/water separator, fuel filter; Donaldson PowerCore® air filter with scavenged pre-filter; Remote oil filter; 3.8 useable gallon Diesel Exhaust Fluid (DEF) tank. Includes John Deere Standard Warranty coverage 2 Years / 2000 Hours and Extended Warranty coverage up to 5 Years / 5000 Hours, contact factory for details.

Auxiliary Engine Air Filter Restriction Indicator with Gauge (In-Cab): A filter restriction gauge included on the in-cab BlueLogic display with an audio and visual high restriction indicator.

Auxiliary Engine Protection System: Engine ECU to provide automatic engine monitoring with derate or shutdown when engine problem is detected such as high coolant temperature or low oil pressure.

Auxiliary Fuse Panel: A 12V DC fused power source panel for any needed additional electrical components or accessories, i.e. radios, warning lights, controls, etc.

Auxiliary Hydraulic System: Electrically operates hydraulic system without auxiliary engine (for raising gutter broom, pick-up head and dumping hopper)

Back-Up Alarm

BlueLogic® Control System: Multiplexed electrical system includes hardware and TYMCO® designed software that integrates the in-cab controls to the auxiliary engine and all sweeper functions; as well as provides intelligent safety features. The BlueLogic Control System provides sweeper and auxiliary engine data to the operator through the touchscreen display and the multiplexed switch pack. The display is pedestal mounted for improved visibility and includes hour meters (Trip and Total) for the auxiliary engine, gutter brooms, pick-up head, blower, water pump, and BAH broom if applicable; sweeper odometer (records curb miles swept and sweeping hours), service reminders, custom reminders, overspeed warning, low water audible alarm, dust control system winterization guide and On-Board Diagnostics (OBD) for the auxiliary engine and sweeper.

Duo Skids: Warranty - 2 YRS / 2000 hours prorated

Dust Control System: 220 gallon capacity polyethylene water tank; 5 gpm electric diaphragm type pump; low water audible alarm and message on BlueLogic display; external water level indicator; spray nozzles around pick-up head, gutter broom(s) and inside hopper.

GPS Sweeping Status Kit: This option gives the ability for users to easily access sweeper inputs for their individual fleet's GPS solutions provider

Gutter Brooms (Twin), LED Floodlights and Parabolic Mirrors: Left and right side mounted 43" diameter wire filled digger type; adjustable LED floodlight for each gutter broom; 10.5" parabolic mirrors.

High Capacity Dust Separator

Hydraulic System Protection: Hydraulic filter restriction indicator mounted in filter manifold; sight level gauge mounted on tank. BlueLogic control system continually monitors oil temperature.

LED Alternating Warning Lights: Mounted on rear of hopper (2 oval lights)

LED Amber Beacon Light: Mounted on top of hopper in center position

LED Floodlights: Mounted on rear of hopper (2 lights)

LED Stop/Turn/Tail/Clearance Lights

Pressure Bleeder: Air pressure is deflected out, allowing additional suction across the front of pick-up head.

Rear View Camera System: Heavy duty rear infrared camera with 7" color monitor mounted in cab

Reverse Pick-Up Head System: Assists in backing up with Pick-Up Head down

Rubber Lined Blower: Warranty - 1 YR / 1,000 hours prorated

Water Fill Hose & Rack: Flexible 20 foot long water tank fill hose with 2-1/2 inch hydrant coupling with rack mount. System incorporates air gap.

Work Platform: Easily accessible work platform located between truck cab and sweeper. Standard equipment with conventional chassis with 165" WB and horizontal exhaust. **Not available with Extra Water Capacity or Chassis Vertical Exhaust.**

Sweeper Warranty: Warranty - 1 YR / 1,000 hours (Contact Factory for Details)

Section / Type	Qty	Model 600* Sweeper and Cab/Chassis Equipment	Sourcewell Catalog Price	Sourcewell Net Price (After 5% Discount)	Net Price Extended
600000	1	Model 600* Sweeper with Standard Equipment (Base Price)	\$210,500.00	\$199,975.00	\$199,975.00
1		Auxiliary Engine Hydraulic Options:			
2		Gutter Broom Options:			
600022-B	1	Gutter Broom Tilt Adjuster: Right	\$878.00	\$834.00	\$834.00
600022-A	1	Gutter Broom Tilt Adjuster: Left	\$878.00	\$834.00	\$834.00
600070	1	Gutter Broom Variable Speed: Right and Left	\$824.00	\$782.00	\$782.00
3		Dust Control System Options:			
600004	1	A.O.D. (Air Operated Diaphragm) Water Pump with Wash Down Hose & Gun (Exchange)	\$2,193.00	\$2,083.00	\$2,083.00
600021	1	Extra Water Capacity - 330 Gallons: COMDEX®	\$4,933.00	\$4,686.00	\$4,686.00
600013	1	Sweeper Deluge System	\$1,097.00	\$1,042.00	\$1,042.00
600033-C	1	Additional Water Nozzle: Hopper	\$440.00	\$418.00	\$418.00
Unpublished	1	Additional Water Nozzles: Pick-Up Head <i>*When Ordered with Low Emissions Package</i>	\$632.00	\$600.00	\$600.00
600077	1	Low Emissions Package <i>*South Coast AQMD Rule 1186 Compliant</i>	\$1,646.00	\$1,563.00	\$1,563.00
600009	1	Water Tank Level Gauge	\$659.00	\$626.00	\$626.00
4		Hopper Options:			
600036	1	Abrasion Protection Package	\$1,043.00	\$990.00	\$990.00
600084	1	Dump Switch in Cab	\$222.00	\$210.00	\$210.00
Unpublished	1	Limb Guard	\$211.00	\$200.00	\$200.00
600020	1	Mild Steel Hopper Drain System (Standard Capacity)	\$550.00	\$522.00	\$522.00
Unpublished	1	Stainless Steel Hopper Screen (Split)	\$1,895.00	\$1,800.00	\$1,800.00
5		Pick-Up Head Options:			
601000	1	Broom Assist Pick-Up Head (Exchange)	\$5,483.00	\$5,208.00	\$5,208.00
600062	1	Double Duo Skids (4" wide) with Skid Bumper Extension Set (3") (Exchange)	\$2,193.00	\$2,083.00	\$2,083.00
600076	1	Linear Actuator w/Gauge - Pressure Bleeder	\$495.00	\$470.00	\$470.00
600063	1	Pick-Up Head Curtain Lifter	\$1,646.00	\$1,563.00	\$1,563.00
600059	1	Pick-Up Head Pressure Inlet Water Injection System	\$1,974.00	\$1,875.00	\$1,875.00
6		Auxiliary Hand Hose Options:			
7		Camera System Options:			
600008-C	1	Pick-Up Head View - Full Width	\$1,097.00	\$1,042.00	\$1,042.00
8		Sweeper Additional Options:			
600075	1	Auto Sweep Assist (ASA)	\$2,743.00	\$2,605.00	\$2,605.00
Unpublished	1	Sweeper Paint: TYMCO® Standard White	\$0.00	\$0.00	\$0.00
9		Special Sweeper Options:			
Unpublished	1	Right Gutter Broom View - Mounted on C-Loop Mirror <i>*Not Available with CurbView Camera System</i>	\$1,053.00	\$1,000.00	\$1,000.00
Unpublished	1	Left Gutter Broom View - Mounted on C-Loop Mirror <i>*Not Available with CurbView Camera System</i>	\$1,053.00	\$1,000.00	\$1,000.00
10		Cab Chassis:			
Unpublished	1	2027 Freightliner M2-106 PLUS, 165" WB, Diesel (1-SPD) - SPECIAL ORDER: 26,000 LB. GVWR, Chrome Packag (Includes: (6) Aluminum Wheels; Chrome Bumper; Chrome Air Intake, Chrome Grille); Air Ride Suspension. <i>*Includes Dual Steering 50 State Certified</i>	\$124,750.00	\$124,750.00	\$124,750.00
11		Chassis Additional Options			
600803	1	Fire Extinguisher	\$103.00	\$103.00	\$103.00
600804	1	Hazard Reflectors	\$103.00	\$103.00	\$103.00
600823	1	LED Amber Traffic Directing Light: Rear Mounted	\$817.00	\$817.00	\$817.00
Unpublished	1	Truck Paint: Standard Factory White	\$0.00	\$0.00	\$0.00
12		Special Chassis Options:			
Unpublished	1	(6) Foam Filled Tires - Arnc Super Flex (GCS)	\$6,000.00	\$6,000.00	\$6,000.00
13		Take-Off Items - Sweeper & Chassis			
Unpublished	1	Cleaning Tool Bracket	\$100.00	\$100.00	\$100.00
14		Dealer Installed Options:			
15		Additional Options:			
Unpublished	1	Freight / PDI / Inservice	\$12,500.00	\$12,500.00	\$12,500.00
Unpublished	1	Tariff Surcharge - 2027 Model Year Freightliner	\$1,500.00	\$1,500.00	\$1,500.00
Unpublished	1	CA Sales Tax (9.25%)	\$35,139.27	\$35,139.27	\$35,139.27

Purchasing Details: Issue Purchase Orders to TYMCO, Inc., ATTN: Kaye Morgan
(kaye.morgan@tymco.com | 254-799-5546).
Quote is Good for 30 Days (Unless Otherwise Noted Above) | Pricing is Quoted in US Dollars (USD) | Payment Terms: Net 30 Days

Total Price:	<u>\$415,023.27</u>
FOB:	<u>Pittsburg, CA</u>
Delivery ARO:	<u>210 - 270 Days - See NOTE Below</u>

Notes	1.	NOTE: Delivery Subject to Truck Availability.
	2.	Make Purchase Order to TYMCO, Inc. (Email to: kaye.morgan@tymco.com)
	3.	NOTE: TO SPECIAL ORDER THE 2027 FREIGHTLINER M2-106 TRUCK, WE MUST HAVE PO BY SEPTEMBER 4, 2026.



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Mayor and Council Members

FROM: Darin E. Gale, City Manager
Elena Adair, Finance Director
Isaac Williams, Financial Analyst

SUBJECT: Receive and File the Treasurer's Report for the Quarter
Ending June 30, 2026

EXECUTIVE SUMMARY

An Investment Summary Report is provided to the City Council for review for each fiscal quarter. The report includes the combined detailed information of the City and the Successor Agency's (Agency) investments, which are compliant with the City and Agency's Investment Policies. This Treasurer's Report is for fiscal quarter ending June 30, 2026.

FISCAL IMPACT

The City's expenditure requirements for the next six months are covered by anticipated revenues from City operations and liquidity from maturing investments. The difference between market value and cost as of June 30, 2026, will be reflected in the City's financial statements for Fiscal Year 2025-26 as an adjustment to interest income for each of the City's funds on a pro rata basis as required by Governmental Accounting Standards Board Statement Number 31. Market values change on a daily basis. The change in market value is considered temporary in nature, as the City mostly holds its investments until maturity, when they can be redeemed at par value.

RECOMMENDATION

City Council accept the Treasurer's Report for the quarter ending June 30, 2026, for information purposes only.

BACKGROUND

Each fiscal quarter, an Investment Summary Report is required to be provided, by policy, to the City Council for review. This report was included in the August 3, 2026 City Council meeting. However, due to report revision, City Council requested to have it moved to the upcoming meeting to provide adequate time for the public to review the revised document. Revision was made to correct asset allocation between various types of investments as well as correct double counting of some bonded debt funds.

SUBCOMMITTEE FINDINGS

This item was not reviewed by a subcommittee.

STAFF ANALYSIS

The City's objectives, in order of priority, are to provide safety, ensure the preservation of capital, provide sufficient liquidity for cash needs and earn a competitive rate of return (yield) within the confines of the California Government Code and the Investment Policy. Chandler Asset Management is responsible for managing investments in accordance with the City's investment policy. All portfolio holdings were held with investment grade securities.

The advisor-managed funds are comprised of operating funds managed in a Core Portfolio account, as well as several Non-Successor Agency bond-related funds. The City's advisor works to achieve the City's objectives by investing in high-quality fixed income securities consistent with the City's investment policy and California Government Code.

The Core Portfolio represents the City's cash reserves. Its return objective is to enhance both interest income and principal value as measured by total return. Total return reflects the value added to the portfolio for a period of time from interest income, realized gains and losses, as well as unrealized gains and losses.

This quarter the City's main portfolio continued to shift to a longer duration period. This change in the investment policy started in the quarter ending March 31, 2026 and allow money managers to take advantage of purchasing securities with higher coupon rates, which in turn translates to higher investment income. The portfolio's total return for the quarter ending June 30, 2026 was 0.43% comparing to the City performance benchmark of 0.24%, the Intercontinental Exchange Bank of America Merrill Lynch (ICE BAML) 1-5 Year Unsubordinated U.S. Treasury/Agency Index. Since inception (7/31/2018), the portfolio's total return through quarter end is 2.54%, which slightly overperformed the benchmark return of 2.22% for the same period. Total returns for the quarter and since inception reflect fluctuations in market value.

Summary Cash and Investments as of 6/30/2026		
Investments and Cash	Original Cost	Market Value
Investments		
Portfolio of Securities (Managed by Chandler)	\$ 94,587,234.23	\$ 94,557,917.17
Bond Managed Reserve (Chandler)	1,278,079.38	1,278,079.38
Section 115 Pension Trust (PARS)	6,018,915.64	6,018,915.64
LAIF	50,215,342.92	50,215,342.92
Total Investments	152,099,572.17	152,070,255.11
City Managed		
Cash	24,102,984.17	24,102,984.16
Bond Funds - Restricted Reserve	74,478,363.12	74,478,363.12
Total City Cash	98,581,347.29	98,581,347.28
Total Cash and Investments	\$ 250,680,919.46	\$ 250,651,602.40

Sector Allocation					
Security Type	Par Value	Original Cost	Market Value	Average Maturity	Average Yield
Operating Funds					
Cash Equivalents	24,103,541.54	24,103,541.54	24,103,541.54	1	N/A
Money Market Funds	288,642.14	288,642.14	288,642.14	1	3.25%
Investment Pools	50,215,342.92	50,215,342.92	50,215,342.92	1	N/A
Total Liquidity	74,607,526.60	74,607,526.60	74,607,526.60	1	3.25%
U.S. Treasury Notes	38,650,000.00	37,959,648.45	37,792,169.55	1274	3.83%
Federal Agency Securities	12,365,000.00	12,394,714.90	12,400,292.86	442	4.44%
Medium-Term Corporate Notes	25,310,000.00	25,035,349.60	25,091,012.48	920	4.54%
Asset-Backed Securities	7,433,111.25	7,432,300.23	7,430,959.95	996	4.65%
Supranationals	1,370,000.00	1,366,220.20	1,364,735.99	427	4.11%
Collateralized Mortgage Obligations	10,714,230.41	10,109,801.34	10,189,546.83	902	4.10%
Total Securities	95,842,341.66	94,298,034.72	94,268,717.66	996	4.20%
Total Operating Funds	170,449,868.26	168,905,561.32	168,876,244.26	556	2.35%
Bonded Debt Funds					
Pittsburg Pension Bond	1,499.75	1,499.75	1,499.75	1	3.51%
Pittsburg AD Auto Mall	387,368.94	387,368.94	387,368.94	1	3.51%
Pittsburg AD Vista DM	889,210.69	889,210.69	889,210.69	1	3.51%
Additional Bonded Debt Funds	74,478,363.12	74,478,363.12	74,478,363.12	N/A	N/A
Total Bonded Debt Funds	75,756,442.50	75,756,442.50	75,756,442.50	1	3.51%
Section 115 Trust					
Equity Mutual Fund	6,018,915.64	6,018,915.64	6,018,915.64		
Total Section 115 Trust Funds	6,018,915.64	6,018,915.64	6,018,915.64	N/A	N/A
Total City Funds	252,225,226.40	250,680,919.46	250,651,602.40		

Governmental Accounting Standards Board Statement No. 31 requires the City to recognize the fair market value of its investments at the end of each fiscal year. The market values of investments included in this report were obtained from the State Controller's office for Local Agency Investment Funds (LAIF), and from the City's

registered investment advisor and bond trustees for longer-term investments.

Attached is the Chandler Asset Management (CAM) Investment Report detailing an economic update, account profile and investment activity for the quarter ending June 30, 2026.

ATTACHMENTS: Letter from City Treasurer
June 2026 Quarterly Investment Report



**City of Pittsburg
Finance Division
65 Civic Avenue
Pittsburg, California 94565**

July 20, 2026

Honorable Mayor and City Council:

I have reviewed the City of Pittsburg Treasurer's Report for the quarter ending June 30, 2026, and find that it complies with the Investment Policy established by my office.

Sincerely,

Nancy Parent
City Treasurer

INVESTMENT REPORT

City of Pittsburg | As of June 30, 2026

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

[ECONOMIC UPDATE](#)

[ACCOUNT PROFILE](#)

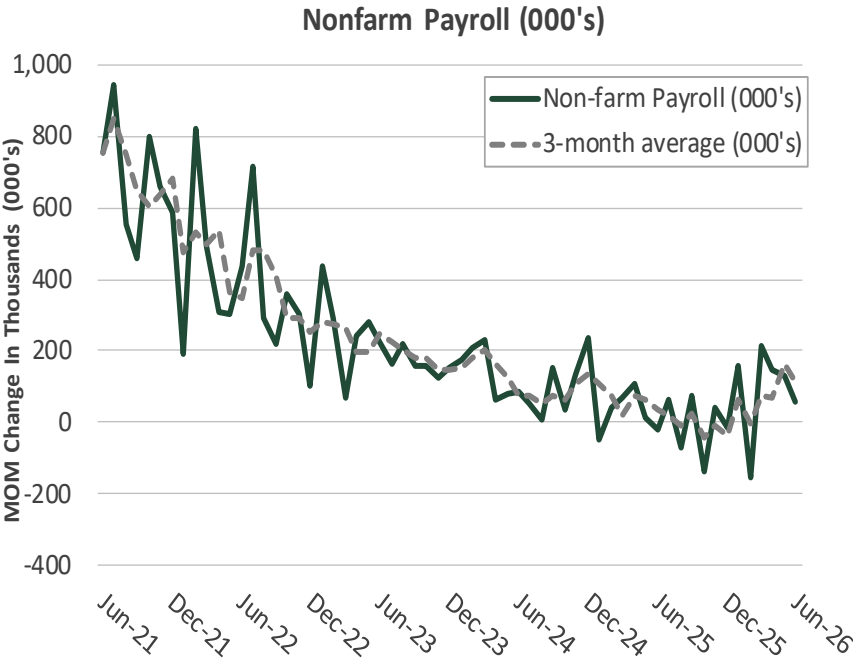
[CONSOLIDATED INFORMATION](#)

[PORTFOLIO HOLDINGS](#)

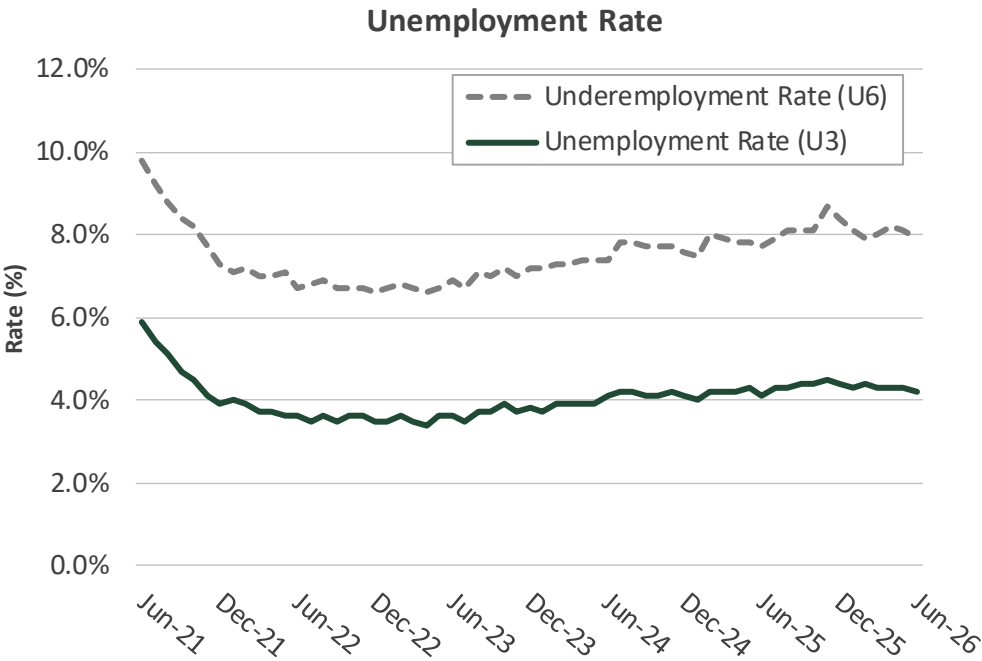
[TRANSACTIONS](#)

ECONOMIC UPDATE

- Energy prices and inflation remained the primary drivers of the macro backdrop as the U.S.-Israel-Iran conflict entered its third month, disrupting global oil supply. Headline CPI accelerated at the fastest pace in more than three years, reflecting volatility in the energy component. Crude oil, however, retraced roughly 20% from its May–early June peak as diplomatic progress between the United States and Iran pointed to a potential framework for de-escalation. The labor market remained resilient, with continued payroll growth and subdued jobless claims. Risk assets held firm, as equities hovered near record highs and credit spreads remained historically tight amid broadly better-than-expected corporate earnings. Taken together, the current market environment has further constrained the case for near-term monetary policy easing, leading the Chandler team to push out its expected timing for rate cuts beyond the six-month investment horizon.
- The Federal Reserve’s June FOMC meeting ended with policymakers unanimously holding the target range at 3.50%–3.75%, a notable shift from the 8–4 split at April’s meeting, which marked Jerome Powell’s final session as Chair. Under new Chair Kevin Warsh, sworn in on May 22, the Committee released an unusually concise statement that referenced Middle East tensions and energy supply disruptions while removing prior forward guidance that had suggested a bias toward rate cuts. Updated projections leaned more hawkish, with 9 of 18 officials expecting at least one rate hike this year and 6 anticipating multiple increases. The shift signals that restoring price stability has reemerged as the central focus of monetary policy deliberations.
- The Treasury yield curve flattened modestly in June as short-term yields responded to a more hawkish shift in Federal Reserve guidance. The 2-year yield rose to 4.15% from 3.98% the prior month, while the 10-year yield edged down slightly to 4.44% from 4.45%. As a result, the 2s/10s spread narrowed to 29 basis points, down from roughly 47 basis points a month earlier and significantly below the 69 basis point spread at the start of the year. Meanwhile, the 3-month/10-year spread remained positive at 64 basis points. Front-end rates absorbed the bulk of the Fed’s updated rate outlook, while longer maturities were partly anchored by a late-month decline in oil prices.

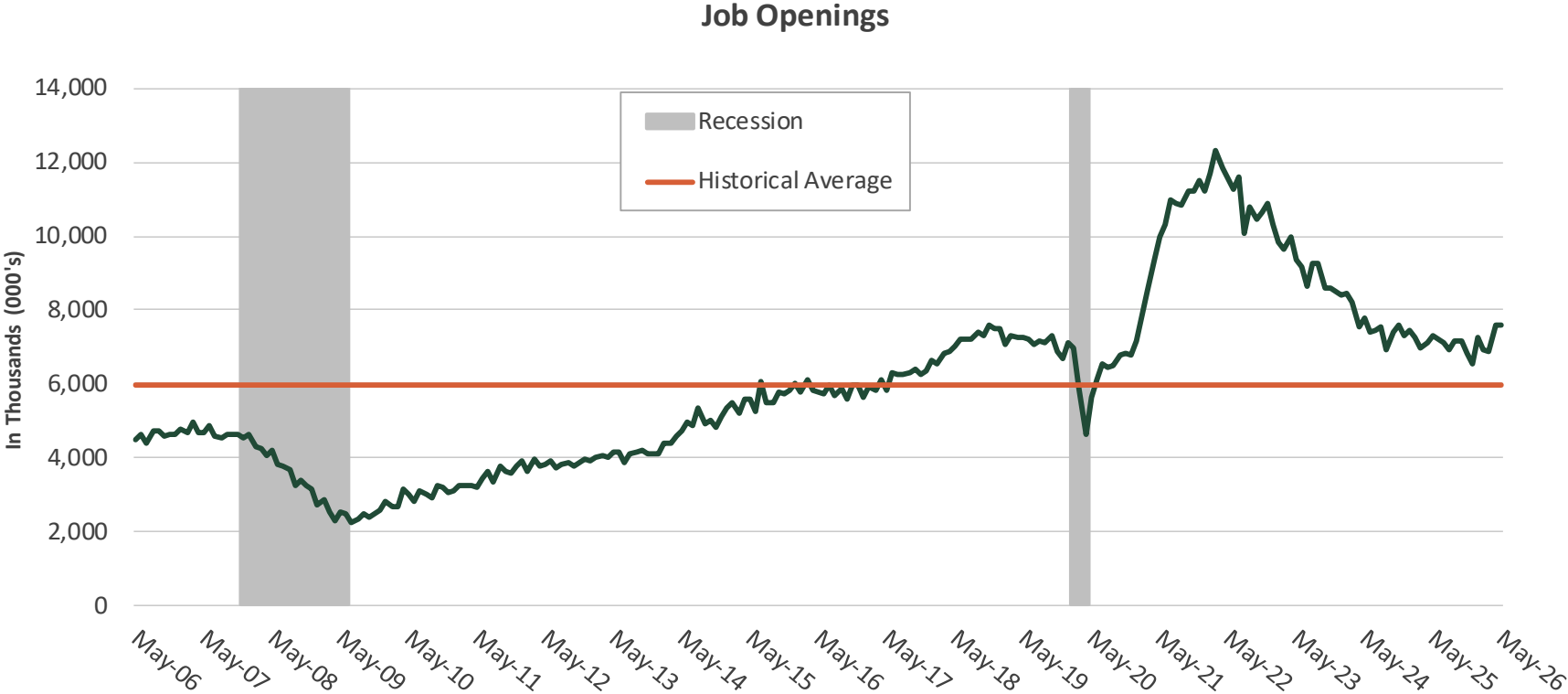


Source: US Department of Labor



Source: US Department of Labor

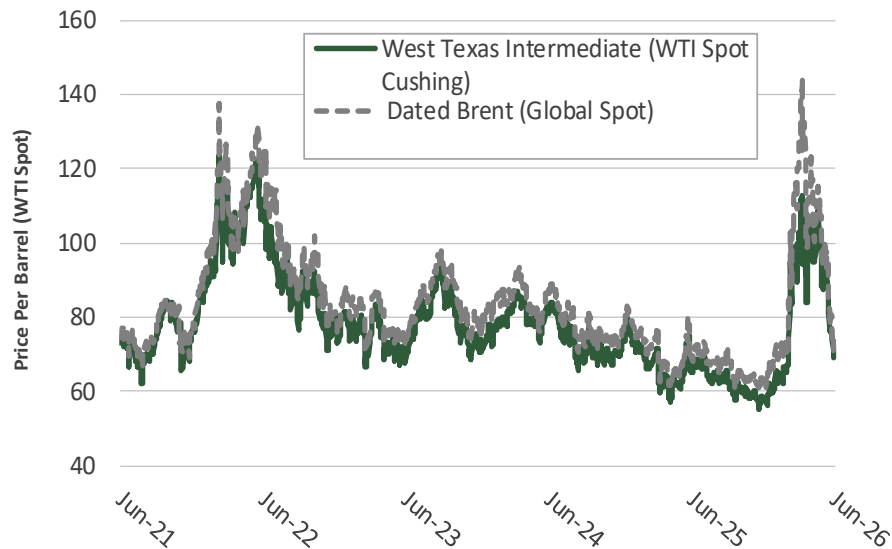
Nonfarm payrolls increased by just 57,000 in June, well below the 113,000 consensus and marking a sharp slowdown from May's pace. The unemployment rate edged down to 4.2%, though the decline was driven by a drop in labor force participation to 61.5%, its lowest level since March 2021. Revisions further weakened the report's signal. April payrolls were revised down by 31,000 to 148,000, while May was lowered by 43,000 to 129,000, resulting in a combined two-month downward revision of 74,000.



Source: US Department of Labor

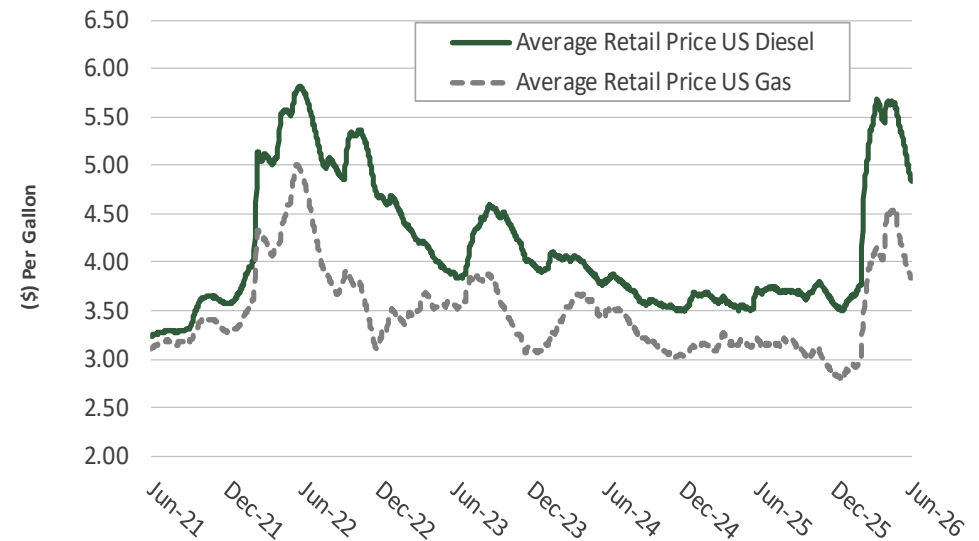
Job openings were essentially unchanged at 7.6 million in May, remaining elevated by historical standards even as hiring momentum moderates. Gains in wholesale trade and accommodation and food services were offset by declines in health care and social assistance, as well as finance and insurance. April openings were revised down by 33,000 to 7.6 million, while hires were revised up by 99,000, highlighting ongoing churn but a broadly stable labor market backdrop.

Oil Prices



Source: Bloomberg Indices

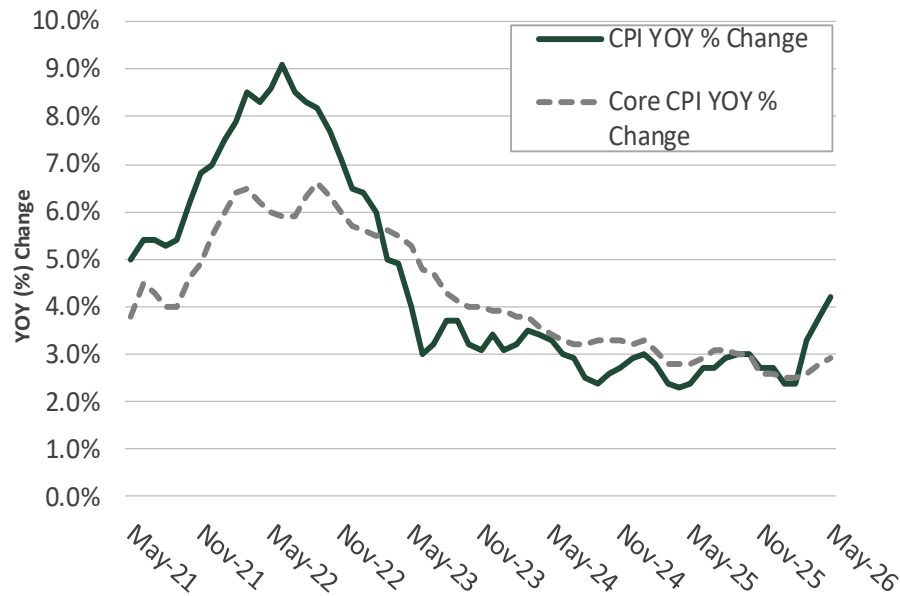
US Fuel Prices



Source: Bloomberg Indices

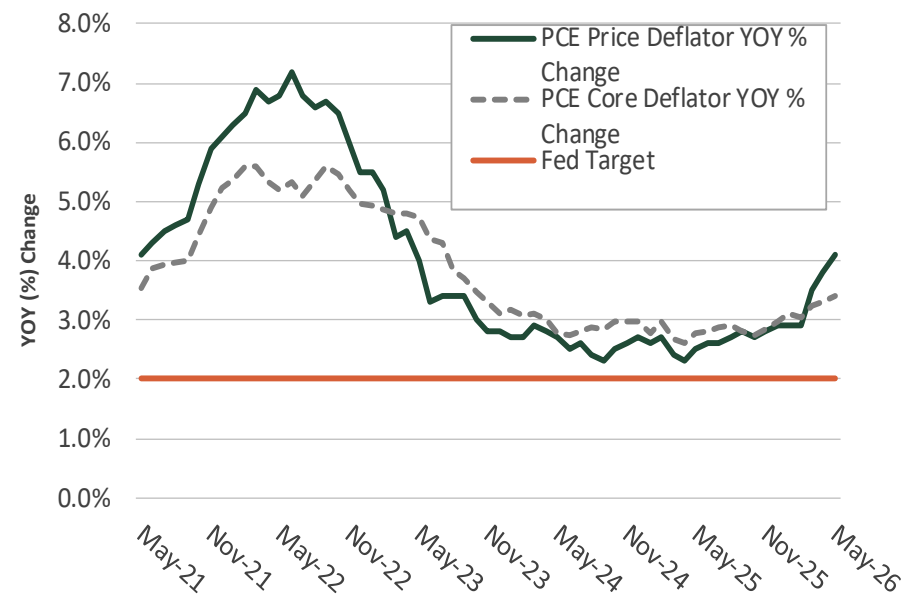
Crude oil prices declined sharply in June as supply disruptions tied to the Middle East conflict began to ease. Tanker traffic through the Strait of Hormuz normalized, and signs of progress in U.S.–Iran negotiations helped unwind the geopolitical risk premium that had driven prices higher earlier in the year. West Texas Intermediate settled near \$69.37 per barrel on June 30, while Brent crude closed around \$72.96, both well below their recent peaks. Brent’s 21% monthly decline marked its steepest drop since March 2020, while WTI fell more than 20%, its largest monthly loss since late 2021. Beyond crude, broader energy markets also softened. Refined product cracks narrowed as gasoline and diesel demand showed signs of seasonal moderation, while U.S. natural gas prices remained range-bound amid ample storage and steady production. Taken together, the retracement in oil and broader energy prices reflects a rapid compression in geopolitical risk premia and improved near-term supply visibility, even as underlying structural risks in the region remain unresolved.

Consumer Price Index (CPI)



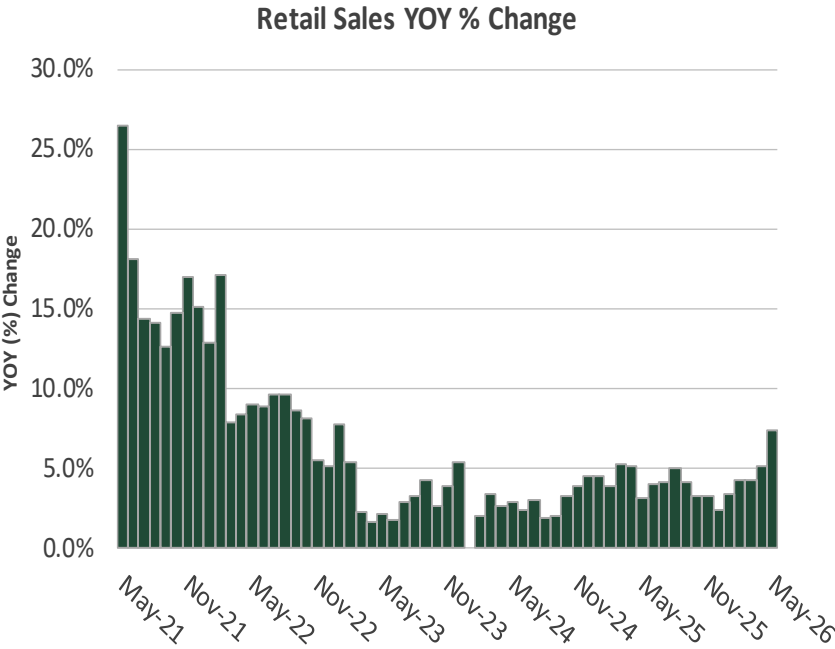
Source: US Department of Labor

Personal Consumption Expenditures (PCE)

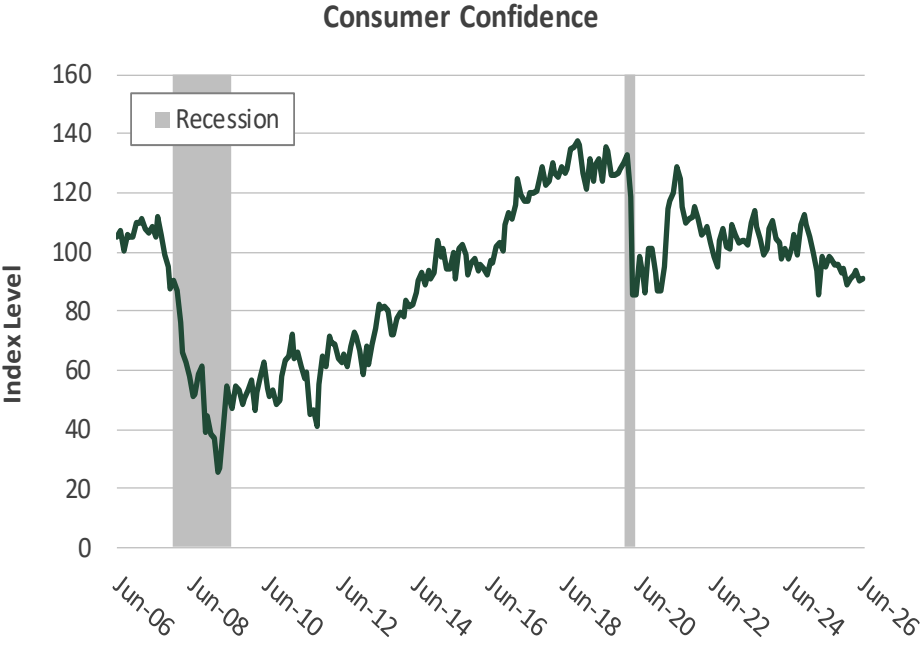


Source: US Department of Commerce

Inflation decelerated sharply in June, with the Consumer Price Index falling 0.4% on the month—its largest decline since the onset of the pandemic in 2020—and bringing the annual rate down to 3.5% from 4.2% in May. Core CPI (excluding food and energy) was flat on the month and rose 2.6% year over year, both coming in softer than expected after energy-driven pressures pushed inflation to a three-year high earlier in the quarter. The CPI report suggests at least a near-term reprieve in inflation. However, the latest available Personal Consumption Expenditures (PCE) price index tells a firmer story: headline PCE rose 0.4% in May and 4.1% year over year, up from 3.8% in April and marking the highest annual rate of the current cycle. Core PCE increased 0.3% on the month and 3.4% over the year. Energy prices remained the primary driver of recent headline acceleration, reflecting supply disruptions tied to the Iranian conflict, although price volatility remains elevated.

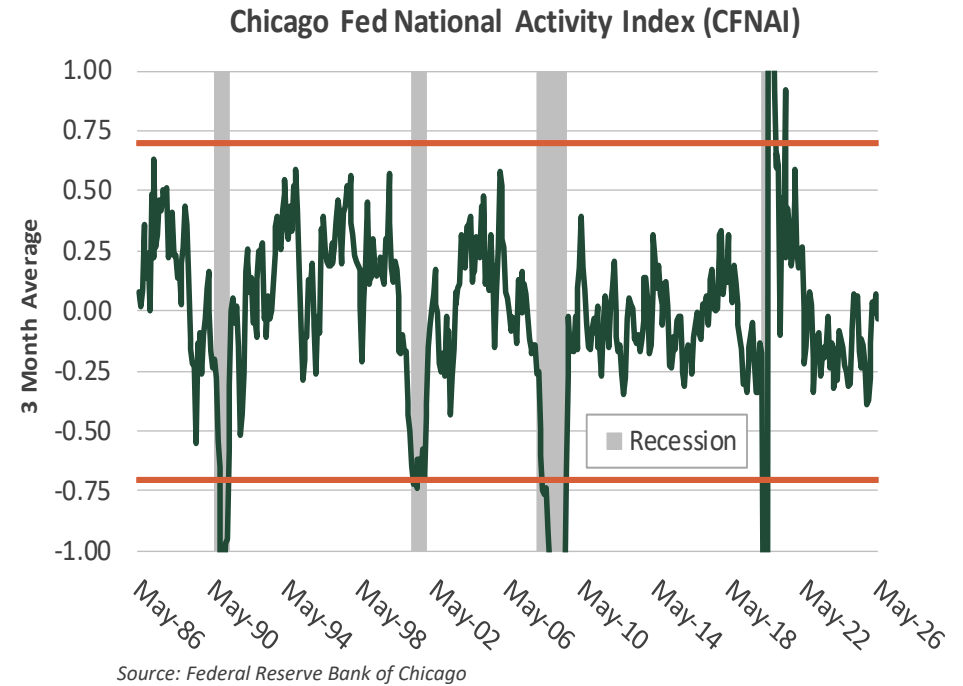
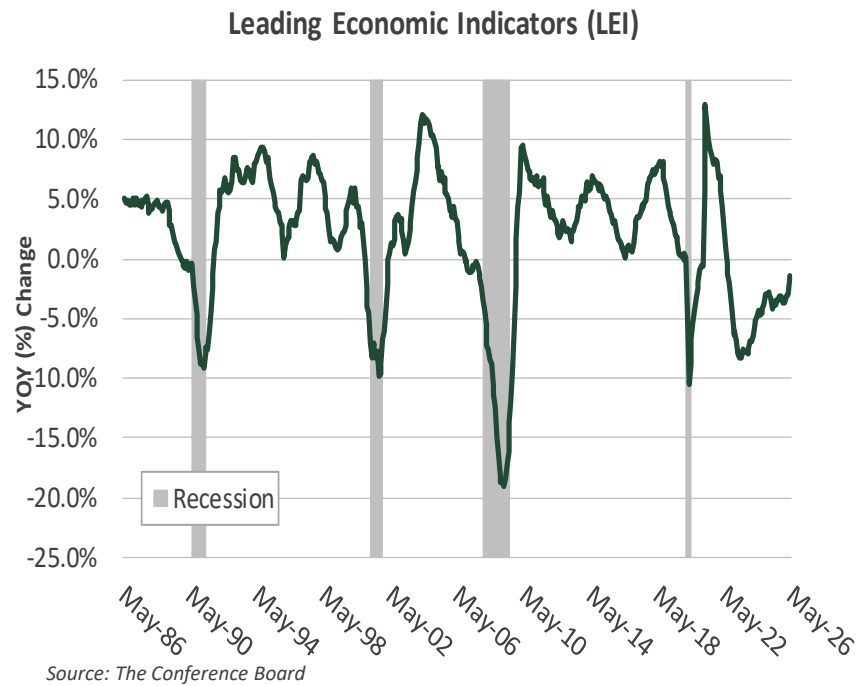


Source: US Department of Commerce

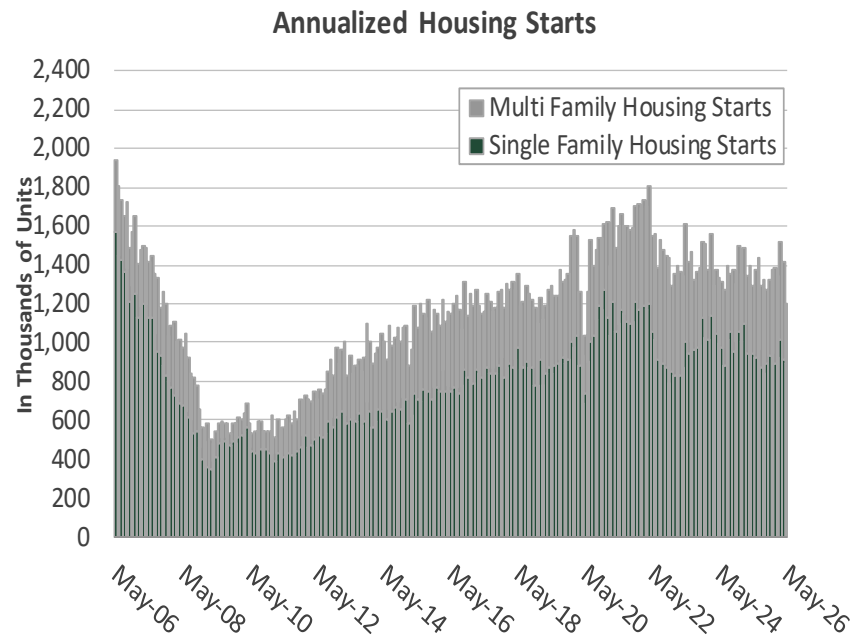


Source: The Conference Board
All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

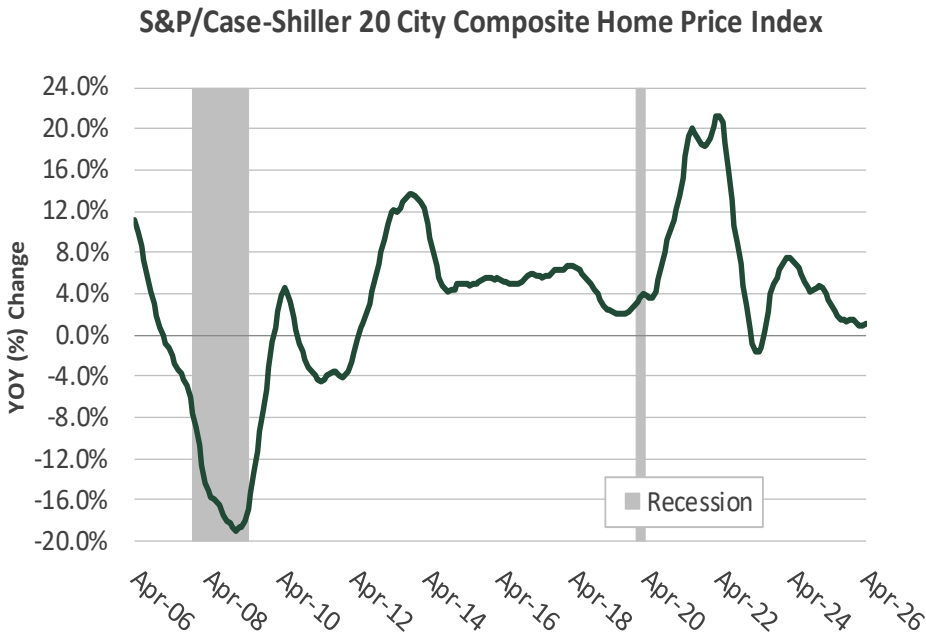
Retail sales presented a firmer picture of consumer spending in June, rising 0.2% on the month and 6.7% year over year, while May's gain was revised up to 1.0%. The control group, which feeds directly into GDP, increased a solid 0.5%, suggesting demand remains more resilient than sentiment alone would indicate. Consumer confidence improved modestly, with the Conference Board's index edging up 0.6 points to 91.2 in June. However, the headline gain obscures continued weakness in labor market perceptions, as the share of respondents reporting jobs as "hard to get" climbed to a five-and-a-half-year high. Overall, spending has remained notably more resilient than sentiment in recent months.



The Conference Board's Leading Economic Index (LEI) edged up 0.1% in May to 99.3, following a revised 0.2% increase in April. Despite the monthly gains, the LEI's six- and twelve-month growth rates remained negative at -0.6% and -1.5%, respectively. The advance was driven primarily by financial components, including equity prices and the interest rate spread, while consumer expectations continued to weigh on the index. The Chicago Fed National Activity Index fell to -0.10 in May from an upwardly revised 0.19 in April. Production-related and employment-related indicators each subtracted from the index, while the sales, orders, and inventories category made a small positive contribution.

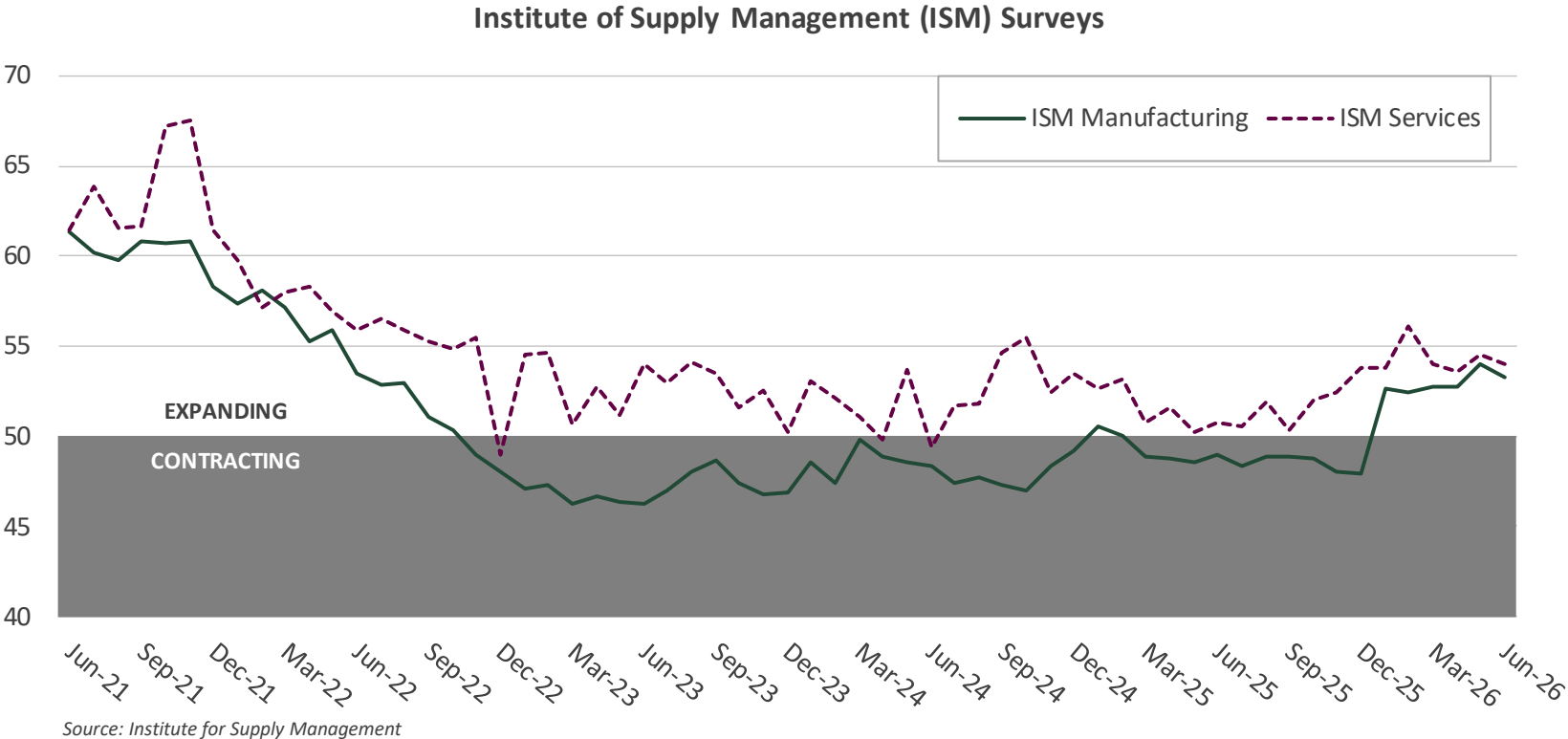


Source: US Department of Commerce



Source: S&P

Housing starts rebounded in June, rising to a seasonally adjusted annual rate of 1.427 million—a 19% increase from an upwardly revised 1.199 million in May. The gain was driven primarily by multifamily construction, with starts surging more than 76% month over month to 532,000 units, while single-family starts edged down slightly to 895,000. Home price growth showed tentative signs of firming, as the S&P CoreLogic Case-Shiller 20-City Composite rose 1.1% year over year in April, marking its first acceleration since November 2025 and following an upwardly revised 0.9% increase in March. Meanwhile, borrowing costs remained elevated, with Freddie Mac’s average 30-year fixed mortgage rate ticking up to 6.49% in June from 6.44% in May, continuing to weigh on affordability for prospective buyers.

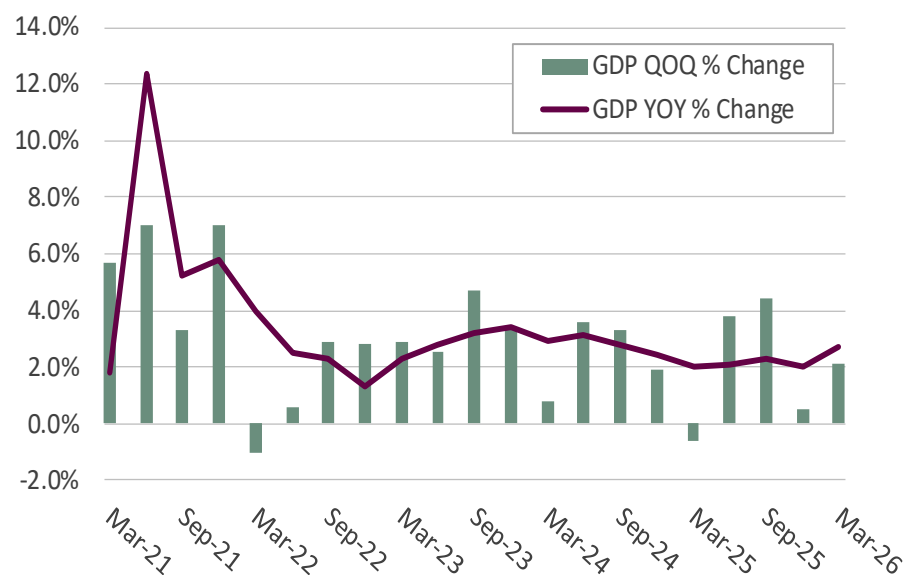


Manufacturing activity cooled slightly in June, with the Institute for Supply Management's Manufacturing Index easing to 53.3%, down 0.7 percentage point from May but still marking a sixth consecutive month of expansion. Services activity also moderated, as the ISM Services Index eased to 54.0% from 54.5%, a twenty-fourth consecutive month in expansion territory. Business activity and new orders both slowed, though the employment component jumped to 51.2% from 47.9%, its strongest reading since late 2021 and the first expansion in services hiring in four months.

Components of GDP	6/25	9/25	12/25	3/26
Personal Consumption Expenditures	1.7%	2.3%	1.3%	0.4%
Gross Private Domestic Investment	-2.7%	0.0%	0.4%	1.4%
Net Exports and Imports	4.8%	1.6%	-0.2%	-0.4%
Federal Government Expenditures	-0.4%	0.2%	-1.2%	0.6%
State and Local (Consumption and Gross Investment)	0.3%	0.2%	0.2%	0.2%
Total	3.8%	4.4%	0.5%	2.1%

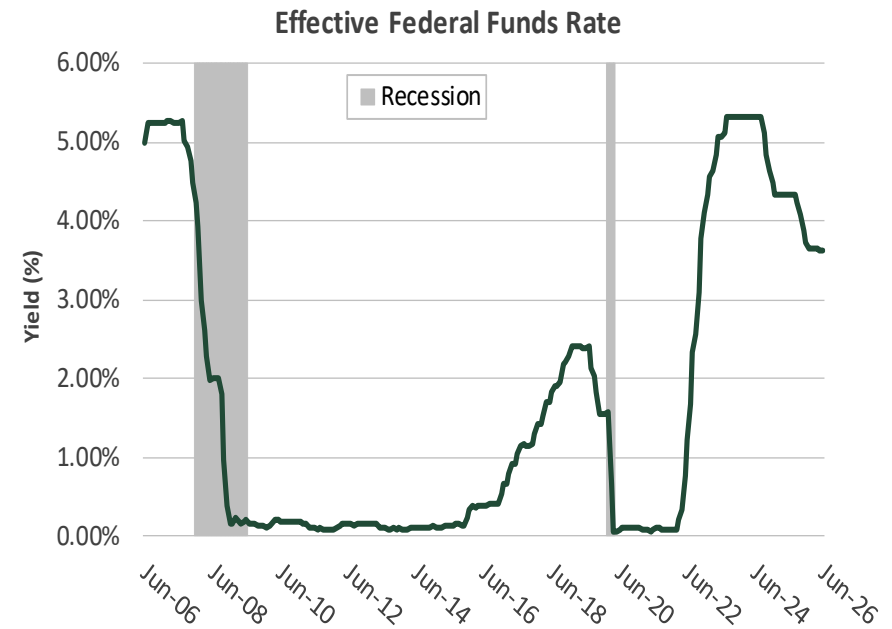
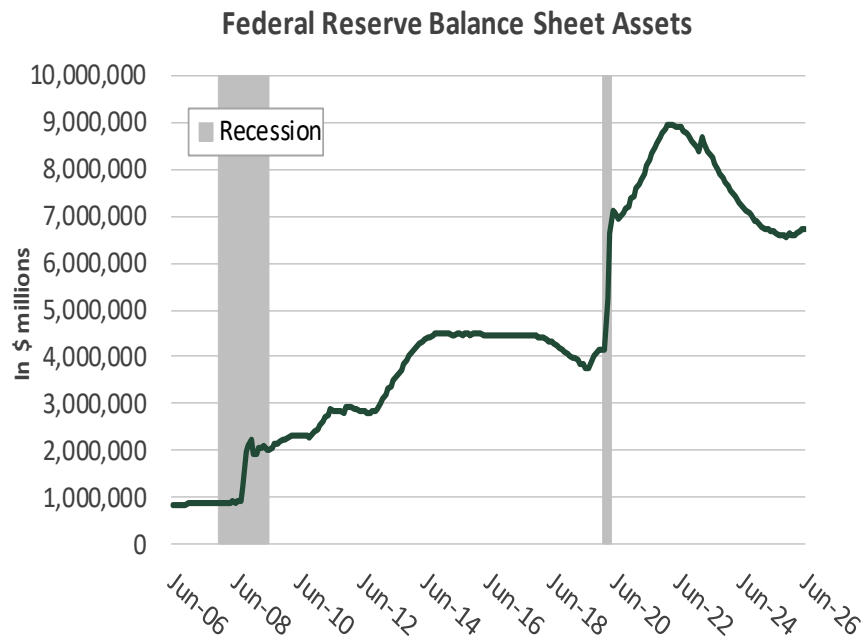
Source: US Department of Commerce

Gross Domestic Product (GDP)

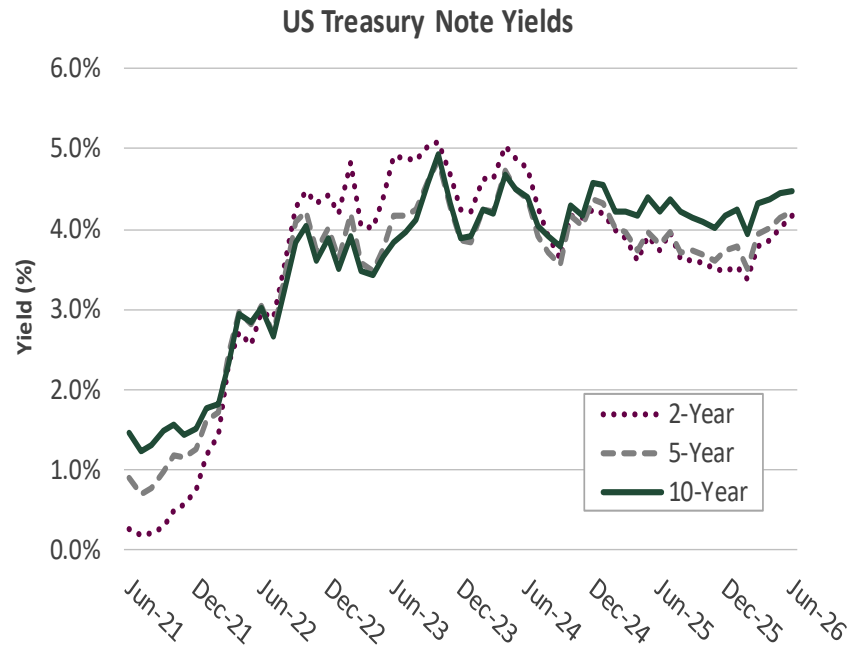


Source: US Department of Commerce

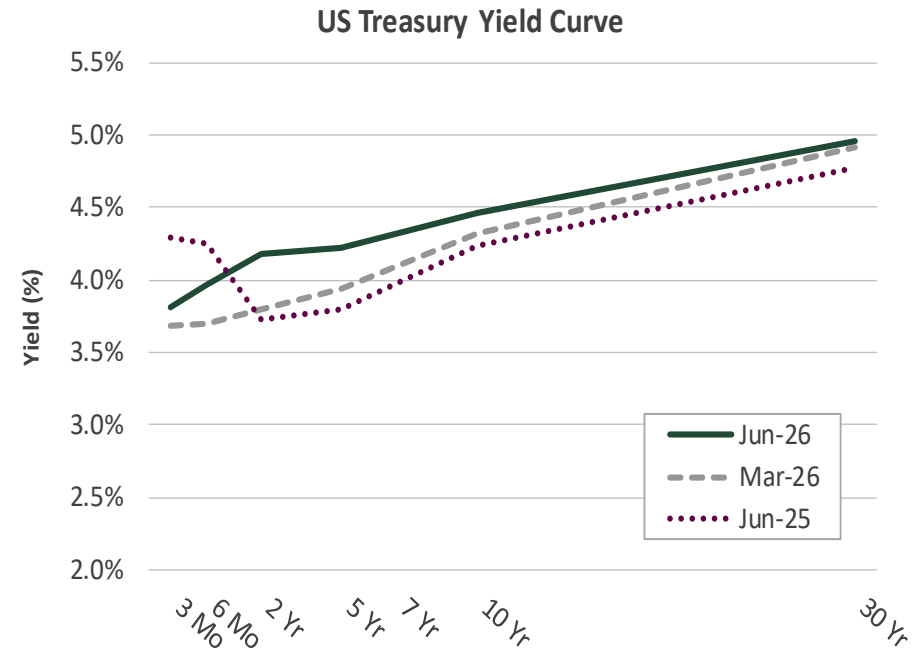
Real gross domestic product increased at an annualized rate of 2.1% in the first quarter of 2026, according to the Bureau of Economic Analysis' third estimate, up from 1.6% in the prior estimate and an acceleration from 0.5% in the fourth quarter of 2025. The 0.5 percentage point upward revision was driven primarily by a downward revision to imports—which subtract from GDP—partly offset by a downward revision to consumer spending.



The Federal Open Market Committee (FOMC) held the target range for the federal funds rate at 3.50% to 3.75% at its June 16–17 meeting, with a unanimous 12–0 vote. This marked a notable shift from the April meeting—Jerome Powell’s last as chair—which saw four dissents in an 8–4 decision. The return to consensus under Chair Kevin Warsh signals a clear change in tone. Minutes from the June meeting are scheduled for release in early July. The June Summary of Economic Projections reflected a more hawkish outlook. The median projection for the federal funds rate at year-end 2026 rose to 3.8%, up from 3.4% in March, before easing to 3.6% in 2027 and 3.4% in 2028. Officials also revised their inflation forecasts, with headline PCE projected at 3.6% in 2026 (from 2.7%) and core PCE at 3.3%. By contrast, median projections for real GDP growth and the unemployment rate—2.2% and 4.3%, respectively—were little changed.



Source: Bloomberg



Source: Bloomberg

Treasury yields ended June mixed, with a modest flattening across the curve as markets digested a more hawkish Federal Reserve signal. The 2-year yield rose to 4.15% from 3.98% at the end of May, while the 10-year yield edged down to 4.44% from 4.45%. The 2s/10s spread narrowed to 29 basis points, down from 47 basis points a month earlier. The 3-month/10-year spread remained positive at roughly 64 basis points at month-end. Relative to the 69 basis point spread at the start of 2026, the curve has flattened materially year to date, reflecting a repricing higher in front-end rates as expectations shift toward the possibility of further Fed tightening rather than easing.

ACCOUNT PROFILE

Investment Objectives

The investment objectives for the City of Pittsburg, in order of priority, are to provide safety to ensure the preservation of capital in the overall portfolio, provide sufficient liquidity for cash needs and a market rate of return consistent with the investment program.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed income securities consistent with the City's investment policy and California Government Code.

PORTFOLIO CHARACTERISTICS



City of Pittsburgh | Account #10607 | As of June 30, 2026

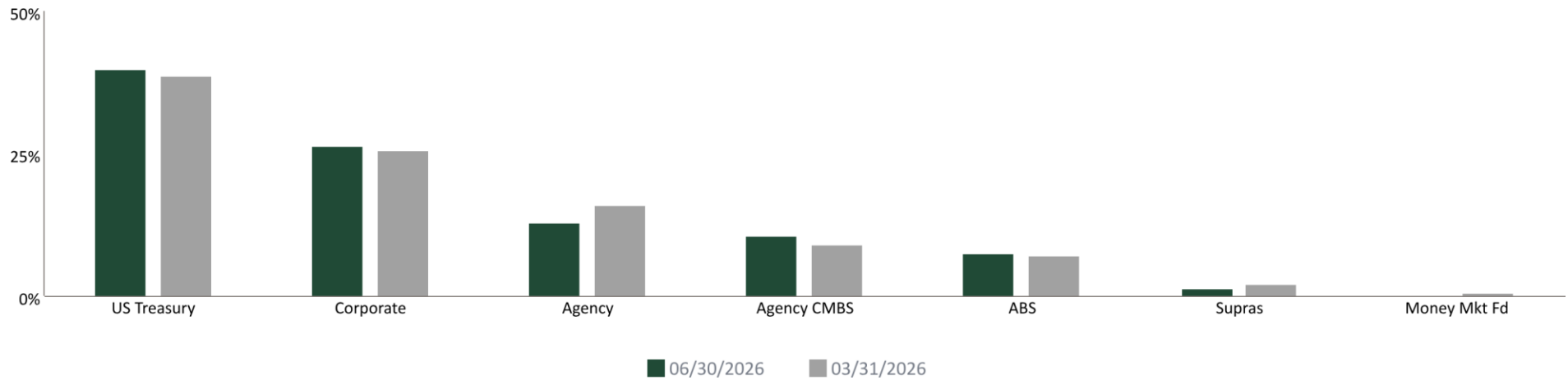
	Benchmark*	6/30/2026 Portfolio	3/31/2026 Portfolio
Average Maturity (yrs)	2.64	2.72	2.53
Average Modified Duration	2.46	2.36	2.20
Average Purchase Yield		4.20%	4.22%
Average Market Yield	4.16%	4.26%	3.98%
Average Quality**	AA+	AA+	AA+
Total Market Value		95,319,809	93,628,593

*Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index

**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

City of Pittsburgh | Account #10607 | As of June 30, 2026



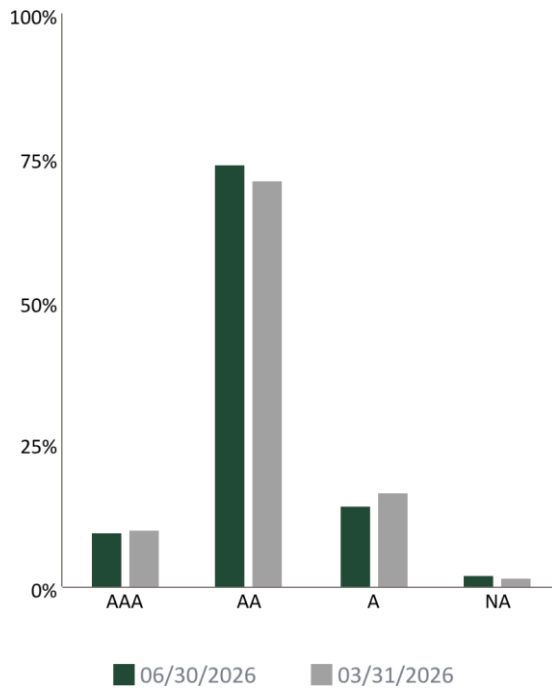
Sector as a Percentage of Market Value

Sector	06/30/2026	03/31/2026
US Treasury	39.97%	38.86%
Corporate	26.54%	25.71%
Agency	13.11%	16.12%
Agency CMBS	10.78%	9.23%
ABS	7.86%	7.14%
Supras	1.44%	2.28%
Money Mkt Fd	0.30%	0.65%

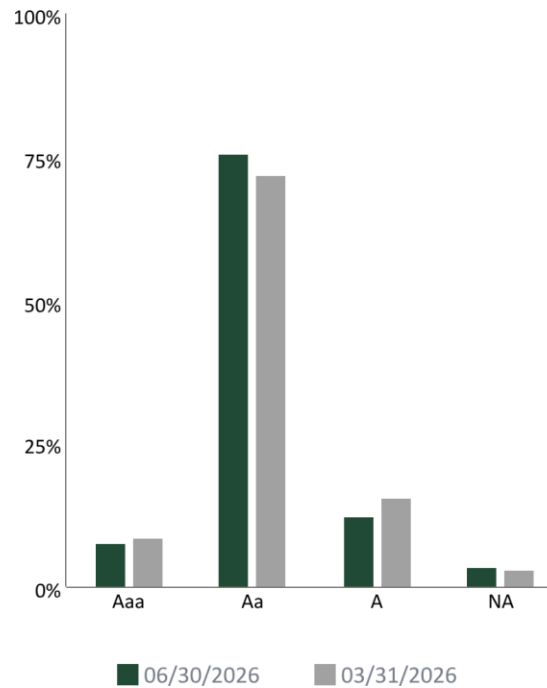
QUALITY DISTRIBUTION

City of Pittsburgh | Account #10607 | As of June 30, 2026

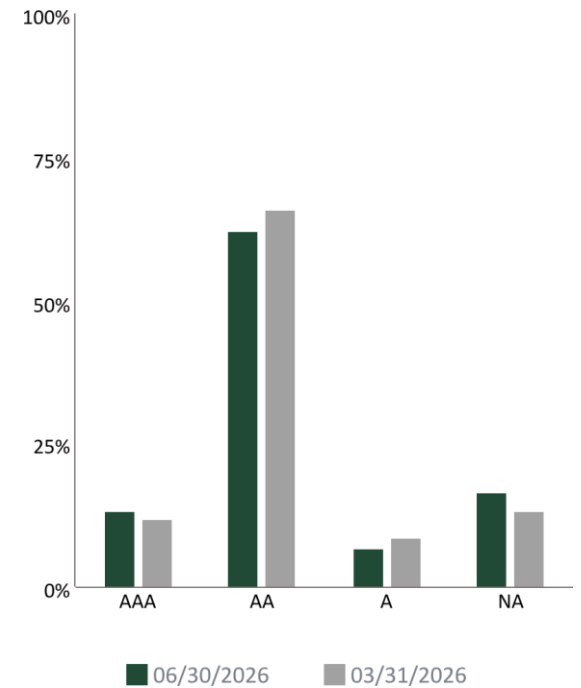
S&P Rating



Moody's Rating



Fitch Rating



Rating	06/30/2026	03/31/2026
AAA	9.68%	10.38%
AA	73.73%	71.12%
A	14.46%	16.52%
NA	2.13%	1.98%

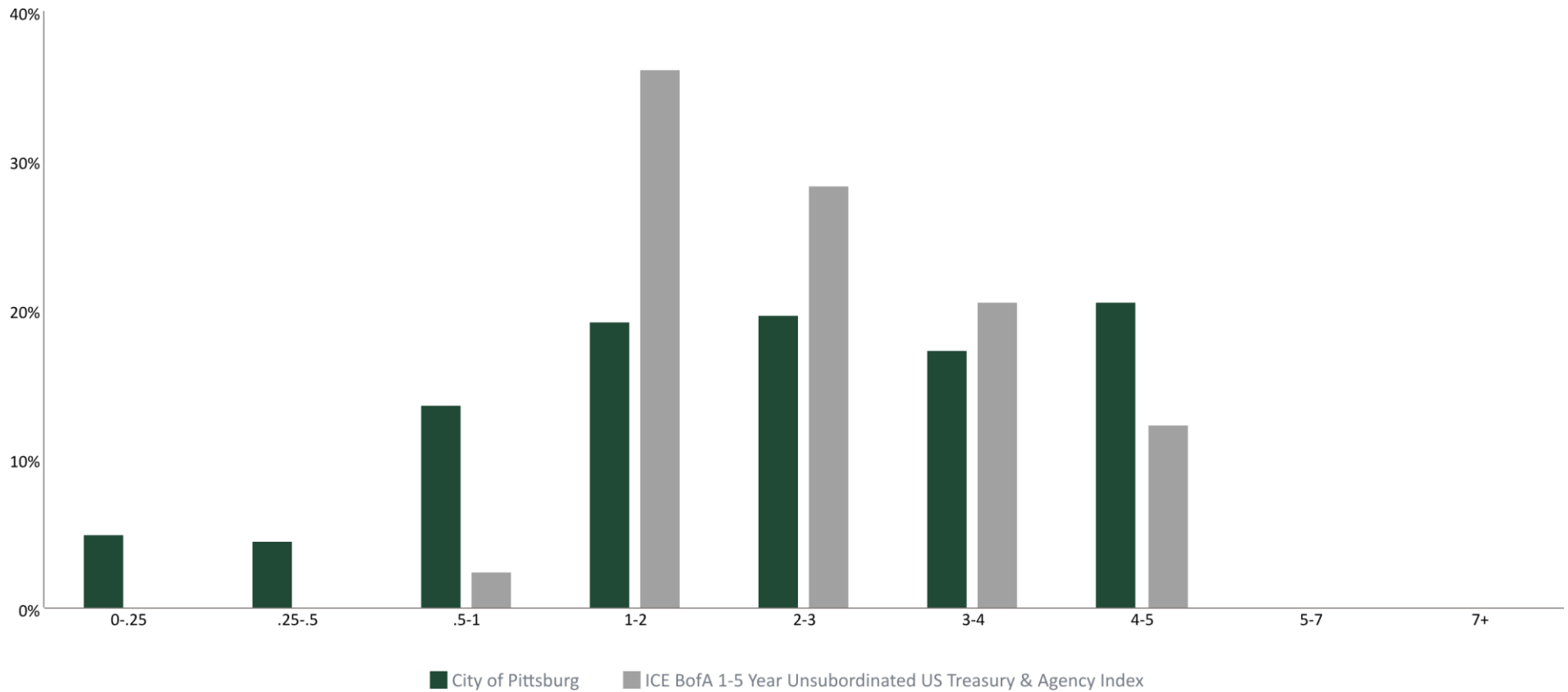
Rating	06/30/2026	03/31/2026
Aaa	7.94%	8.74%
Aa	75.86%	71.87%
A	12.51%	15.96%
NA	3.69%	3.43%

Rating	06/30/2026	03/31/2026
AAA	13.65%	11.99%
AA	62.47%	65.86%
A	7.13%	8.88%
NA	16.76%	13.27%

DURATION DISTRIBUTION

City of Pittsburgh | Account #10607 | As of June 30, 2026

Portfolio Compared to the Benchmark



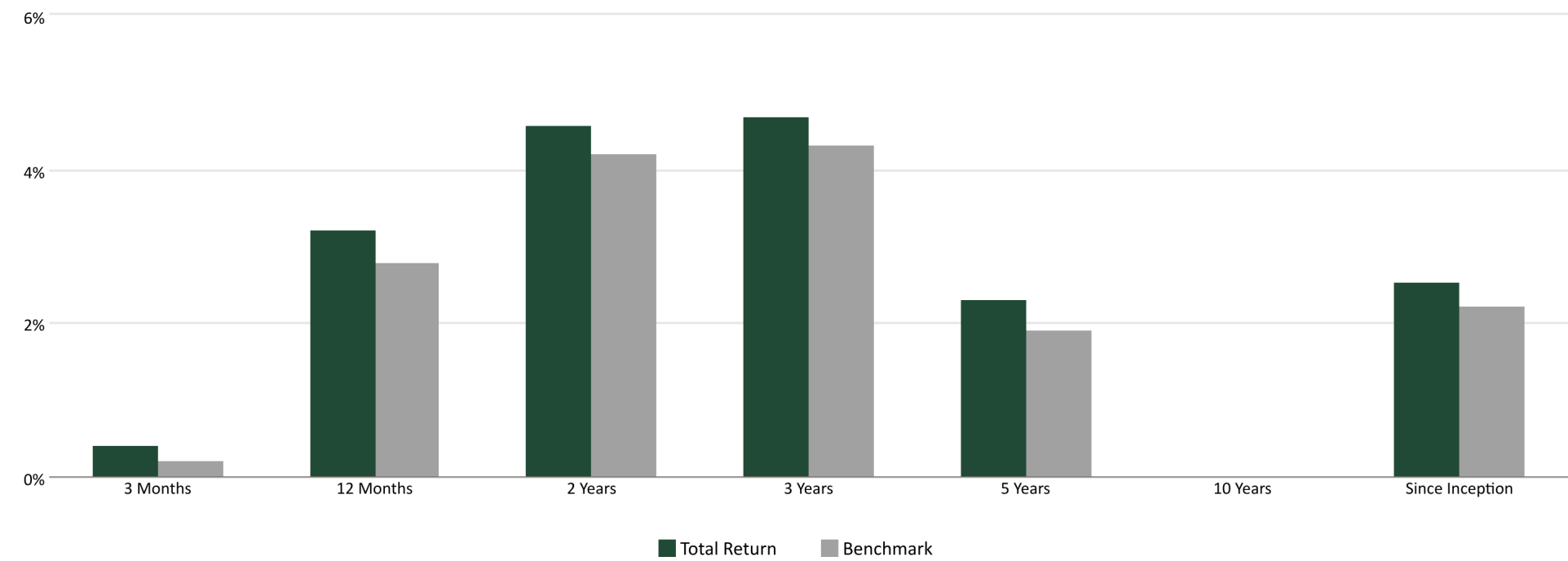
	0-0.25	0.25-0.5	0.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	4.9%	4.6%	13.6%	19.2%	19.7%	17.4%	20.6%	0.0%	0.0%
ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index	0.0%	0.0%	2.5%	36.2%	28.4%	20.6%	12.3%	0.0%	0.0%

INVESTMENT PERFORMANCE



City of Pittsburgh | Account #10607 | As of June 30, 2026

Total Rate of Return: Inception | 08/01/2018



TOTAL RATE OF RETURN*	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
City of Pittsburgh	0.43%	3.22%	4.60%	4.70%	2.33%		2.54%
Benchmark	0.24%	2.79%	4.22%	4.32%	1.92%		2.22%

Periods over 1 year are annualized.

*Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

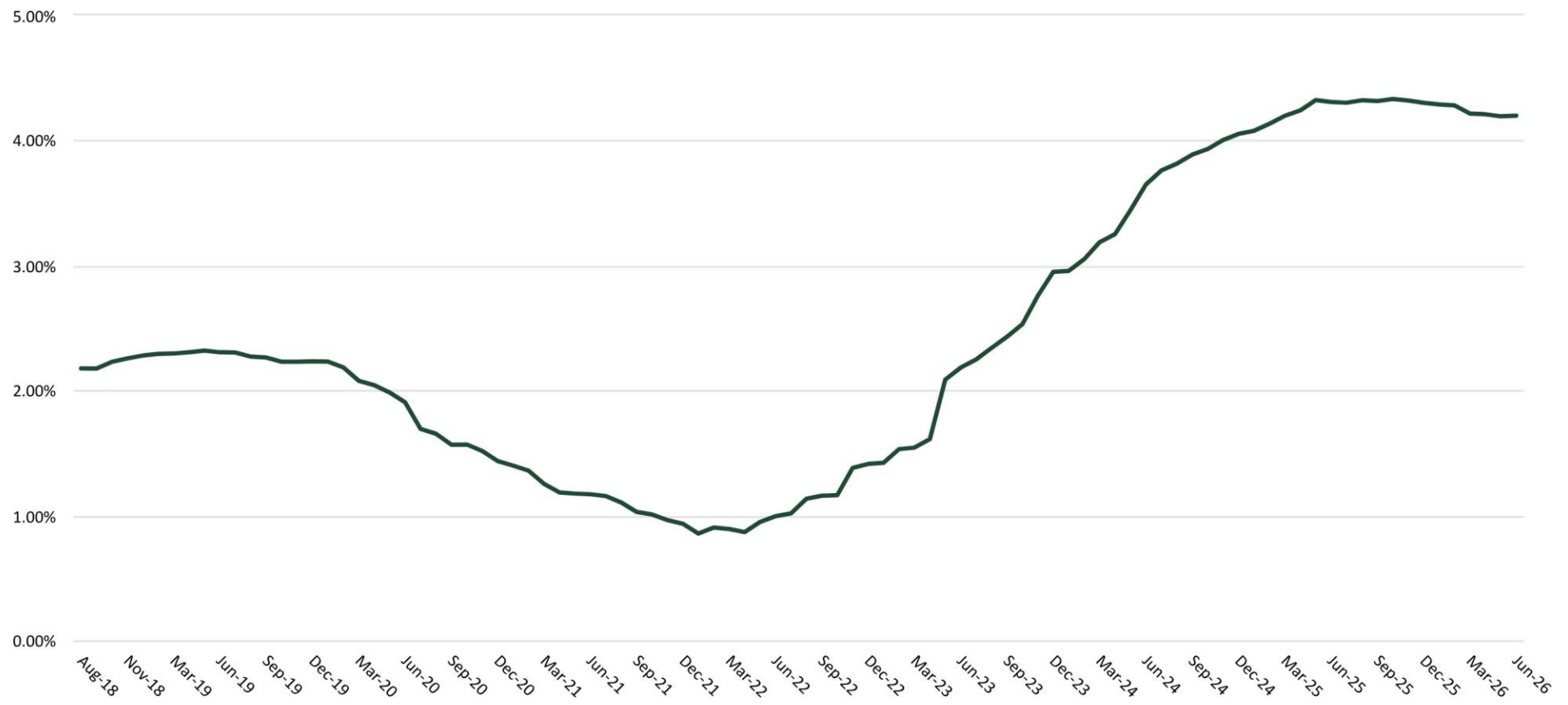
Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index

HISTORICAL AVERAGE PURCHASE YIELD



City of Pittsburgh | Account #10607 | As of June 30, 2026

Purchase Yield as of 06/30/26 = 4.20%



PORTFOLIO CHARACTERISTICS



City of Pittsburgh Liquidity | Account #10617 | As of June 30, 2026

	Benchmark*	6/30/2026 Portfolio	3/31/2026 Portfolio
Average Maturity (yrs)	0.16	0.00	0.01
Average Modified Duration	0.16	0.00	0.00
Average Purchase Yield		3.23%	3.64%
Average Market Yield	3.71%	3.23%	3.68%
Average Quality**	AA+	AAA	AAA
Total Market Value		6,737	16,285,219

*Benchmark: ICE BofA 3-Month US Treasury Bill Index

**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

CONSOLIDATED INFORMATION

ACCOUNT STRUCTURE



City of Pittsburgh | As of June 30, 2026

	Original Cost	Market Value	% of Portfolio
Funds Managed Internally			
Cash Equivalents	24,102,984.17	24,102,984.17	9.62%
Investment Pools	50,215,342.92	50,215,342.92	20.03%
Additional Bonded Debt Funds	74,478,363.12	74,478,363.12	29.71%
Total	148,796,690.21	148,796,690.21	59.36%
Funds Managed by City's Investment Advisor			
Operating Funds	94,587,234.23	94,557,917.17	37.72%
Bond Managed Reserve	1,278,079.38	1,278,079.38	0.51%
Total	95,865,313.61	95,835,996.55	38.23%
City's Section 115 Trust			
Section 115 Trust	6,018,915.64	6,018,915.64	2.40%
Total	6,018,915.64	6,018,915.64	2.40%
Total City Funds	250,680,919.46	250,651,602.40	100.00%

*Market value changes daily and is subject to a number of economic forces, including supply and demand, and can incur unrealized gains and losses.

SECTOR ALLOCATION

City of Pittsburgh | As of June 30, 2026

Security Type	Original Cost	Market Value	% of Portfolio	Average Maturity	Average Yield
Operating Funds					
Cash Equivalents ¹	24,103,541.54	24,103,541.54	14.27%	1	N/A
Money Market Funds	288,642.14	288,642.14	0.17%	1	3.23%
Investment Pools ²	50,215,342.92	50,215,342.92	29.73%	1	N/A
Total Liquidity	74,607,526.60	74,607,526.60	44.18%	1	3.23%
U.S. Treasury Notes	37,959,648.45	37,792,169.55	22.38%	996	3.83%
Federal Agency Securities	12,394,714.90	12,400,292.86	7.34%	442	4.44%
Medium-Term Corporate Notes	25,035,349.60	25,091,012.48	14.86%	920	4.54%
Asset-Backed Securities	7,432,300.23	7,430,959.95	4.40%	996	4.65%
Supranationals	1,366,220.20	1,364,735.99	0.81%	427	4.11%
Collateralized Mortgage Obligations	10,109,801.34	10,189,546.83	6.03%	902	4.10%
Total Securities	94,298,034.72	94,268,717.66	55.82%	885	4.20%
Total Operating Funds	168,905,561.32	168,876,244.26	100.00%	494	2.35%
Bonded Debt Funds					
Pittsburg Pension Bond	1,499.75	1,499.75	0.00%	1	3.55%
Pittsburg AD Auto Mall	387,368.94	387,368.94	0.51%	1	3.55%
Pittsburg AD Vista DM	889,210.69	889,210.69	1.17%	1	3.55%
Additional Bonded Debt Funds ³	74,478,363.12	74,478,363.12	98.31%	N/A	N/A
Total Bonded Debt Funds	75,756,442.50	75,756,442.50	100.00%	1	3.55%
Section 115 Trust					
Equity Mutual Fund ²	6,018,915.64	6,018,915.64	100.00%	N/A	N/A
Total Section 115 Trust Funds	6,018,915.64	6,018,915.64	100.00%	N/A	N/A
Total City Funds	250,680,919.46	250,651,602.40			

^{1,2}Funds not managed by City's investment adviser; ³Bonded Debt Funds not managed, nor tracked by City's investment adviser

*Market value changes daily and is subject to a number of economic forces, including supply and demand, and can incur unrealized gains and losses.

PORTFOLIO HOLDINGS

HOLDINGS REPORT

City of Pittsburgh | Account #10607 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
44934FAD7	HALST 2024-B A3 5.41 05/17/2027	62,333.32	05/14/2024 5.41%	62,331.59 62,332.81	100.11 3.96%	62,404.26 149.88	0.07% 71.44	NA/AAA AAA	0.88 0.08
58770JAD6	MBALT 2024-A A3 5.32 01/18/2028	127,531.37	05/17/2024 5.73%	127,516.45 127,525.04	100.35 4.20%	127,980.40 301.54	0.14% 455.36	Aaa/NA AAA	1.55 0.30
58769GAD5	MBALT 2024-B A3 4.23 02/15/2028	190,791.37	09/17/2024 4.24%	190,759.26 190,775.96	100.00 4.27%	190,791.56 358.69	0.20% 15.60	NA/AAA AAA	1.63 0.44
89239NAD7	TLOT 2025-A A3 4.75 02/22/2028	390,000.00	02/20/2025 4.75%	389,994.89 389,997.18	100.20 4.34%	390,776.10 566.04	0.41% 778.92	Aaa/AAA NA	1.65 0.43
05592XAD2	BMWOT 2023-A A3 5.47 02/25/2028	23,090.30	07/11/2023 5.47%	23,086.21 23,088.83	100.33 4.10%	23,166.13 21.05	0.02% 77.30	NA/AAA AAA	1.66 0.23
362962AD4	GMALT 2025-2 A3 4.58 05/22/2028	350,000.00	05/20/2025 4.84%	349,994.19 349,996.31	100.23 4.29%	350,794.85 489.81	0.37% 798.54	NA/AAA AAA	1.90 0.68
438123AC5	HAROT 2023-4 A3 5.67 06/21/2028	96,853.20	11/01/2023 5.74%	96,836.14 96,845.91	100.62 4.34%	97,448.85 152.54	0.10% 602.94	Aaa/NA AAA	1.98 0.42
89239FAD4	TAOT 2023-D A3 5.54 08/15/2028	101,269.22	11/07/2023 5.61%	101,258.30 101,264.34	100.63 4.41%	101,908.12 249.35	0.11% 643.79	NA/AAA AAA	2.13 0.53
437918AC9	HAROT 2024-1 A3 5.21 08/15/2028	331,113.84	02/13/2024 5.27%	331,099.44 331,107.01	100.47 4.26%	332,672.06 766.71	0.35% 1,565.05	Aaa/AAA NA	2.13 0.46
05594HAD5	BMWLT 2025-2 A3 3.97 09/25/2028	395,000.00	10/08/2025 4.32%	394,998.89 394,999.16	99.67 4.34%	393,715.46 261.36	0.42% (1,283.70)	NA/AAA AAA	2.24 0.97
89238DAD0	TAOT 2024-A A3 4.83 10/16/2028	198,543.58	01/23/2024 4.89%	198,503.85 198,524.23	100.30 4.30%	199,138.22 426.21	0.21% 613.98	Aaa/AAA NA	2.30 0.51
47800RAD5	JDOT 2024 A3 4.96 11/15/2028	119,279.18	03/11/2024 5.12%	119,272.50 119,275.77	100.37 4.44%	119,723.73 262.94	0.13% 447.96	Aaa/NA AAA	2.38 0.65
36268GAD7	GMCAR 2024-1 A3 4.85 12/18/2028	179,104.09	-- 4.90%	179,083.37 179,093.68	100.28 4.28%	179,599.32 361.94	0.19% 505.63	Aaa/NA AAA	2.47 0.45
36273VAD7	GMALT 2026-1 A3 3.88 01/22/2029	425,000.00	02/03/2026 4.11%	424,944.37 424,951.56	99.29 4.44%	421,991.43 503.86	0.45% (2,960.14)	NA/AAA AAA	2.56 1.35
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	198,673.95	06/04/2024 5.18%	198,643.77 198,656.92	100.51 4.33%	199,679.63 171.52	0.21% 1,022.72	Aaa/AAA NA	2.66 0.56
47786WAD2	JDOT 2024-B A3 5.2 03/15/2029	294,527.84	06/11/2024 5.81%	294,470.26 294,494.97	100.64 4.40%	296,410.17 680.69	0.31% 1,915.19	Aaa/NA AAA	2.71 0.74

HOLDINGS REPORT

City of Pittsburgh | Account #10607 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
36275AAD1	GMALT 2026-2 A3 4.3 03/20/2029	310,000.00	05/05/2026 4.40%	309,966.46 309,968.01	99.86 4.43%	309,552.36 333.25	0.33% (415.65)	NA/AAA AAA	2.72 1.57
02582JKH2	AMXCA 2024-1 A 5.23 04/16/2029	570,000.00	04/16/2024 5.30%	569,883.15 569,934.48	100.82 4.20%	574,689.96 1,324.93	0.61% 4,755.48	NA/AAA AAA	2.79 0.76
448972AD1	HALST 26B A3 4.21 04/16/2029	290,000.00	04/16/2026 4.22%	289,957.72 289,960.44	99.61 4.47%	288,872.19 542.62	0.31% (1,088.25)	NA/AAA AAA	2.79 1.74
58770XAD5	MBALT 2025-B A3 3.88 04/16/2029	800,000.00	10/16/2025 4.57%	799,868.72 799,894.73	99.38 4.35%	795,020.00 1,379.56	0.84% (4,874.73)	NA/AAA AAA	2.79 1.41
05522RDJ4	BACCT 2024-1 A 4.93 05/15/2029	365,000.00	06/06/2024 4.93%	364,979.52 364,988.09	100.65 4.21%	367,356.08 799.76	0.39% 2,367.99	Aaa/AAA NA	2.87 0.84
05594YAD8	BMWLT 2026-1 A3 4.15 05/25/2029	420,000.00	04/14/2026 4.85%	419,953.59 419,956.47	99.56 4.46%	418,141.50 290.50	0.44% (1,814.97)	Aaa/NA AAA	2.90 1.65
362549AD9	GMCAR 2025-2 A3 4.28 04/16/2030	185,000.00	05/06/2025 4.71%	184,972.77 184,979.02	100.01 4.31%	185,023.13 329.92	0.20% 44.10	Aaa/AAA NA	3.79 0.92
47787DAD3	JDOT 2026 A3 3.87 08/15/2030	310,000.00	03/10/2026 4.49%	309,945.07 309,948.65	98.68 4.46%	305,894.36 533.20	0.32% (4,054.29)	Aaa/NA AAA	4.13 2.38
43814YAD3	HAROT 2026-2 A3 4.3 11/15/2030	700,000.00	05/05/2026 3.02%	699,979.77 699,980.37	99.74 4.46%	698,210.10 1,337.78	0.74% (1,770.27)	Aaa/AAA NA	4.38 2.14
Total ABS		7,433,111.25	4.65%	7,432,300.23 7,432,539.95	99.97 4.35%	7,430,959.95 12,595.64	7.86% (1,580.00)		2.73 1.11

AGENCY									
3133EPVP7	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.75 07/08/2026	1,000,000.00	12/06/2023 4.48%	1,006,424.00 1,000,047.64	100.02 3.82%	1,000,163.00 22,826.39	1.06% 115.36	Aa1/AA+ AA+	0.02 0.02
3133EPZY4	FEDERAL FARM CREDIT BANKS FUNDING CORP 5.0 07/30/2026	1,000,000.00	11/09/2023 4.85%	1,003,740.00 1,000,109.22	100.09 3.82%	1,000,882.00 20,972.22	1.06% 772.78	Aa1/AA+ AA+	0.08 0.08
3133EP6K6	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 03/26/2027	1,000,000.00	03/25/2024 4.45%	1,001,450.00 1,000,354.89	100.26 4.13%	1,002,587.00 11,875.00	1.06% 2,232.11	Aa1/AA+ AA+	0.74 0.71
3130B0TY5	FEDERAL HOME LOAN BANKS 4.75 04/09/2027	865,000.00	04/10/2024 4.85%	862,716.40 864,410.82	100.52 4.06%	869,466.86 9,358.82	0.92% 5,056.04	Aa1/AA+ AA+	0.77 0.75
3133ERDS7	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.75 05/06/2027	1,000,000.00	05/22/2024 4.70%	1,001,317.00 1,000,377.51	100.52 4.11%	1,005,237.00 7,256.94	1.06% 4,859.49	Aa1/AA+ AA+	0.85 0.82

HOLDINGS REPORT

City of Pittsburgh | Account #10607 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3130B1EF0	FEDERAL HOME LOAN BANKS 4.625 06/11/2027	1,000,000.00	06/26/2024 4.57%	1,001,530.00 1,000,489.20	100.44 4.14%	1,004,379.00 2,569.44	1.06% 3,889.80	Aa1/AA+ AA+	0.95 0.91
3133ERMB4	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.25 07/23/2027	1,000,000.00	07/18/2024 4.26%	999,690.00 999,890.44	100.14 4.11%	1,001,374.00 18,652.78	1.06% 1,483.56	Aa1/AA+ AA+	1.06 1.01
3130ATUS4	FEDERAL HOME LOAN BANKS 4.25 12/10/2027	1,000,000.00	05/15/2023 3.66%	1,024,620.00 1,007,773.96	100.08 4.19%	1,000,750.00 2,479.17	1.06% (7,023.96)	Aa1/AA+ AA+	1.45 1.38
3130ATS57	FEDERAL HOME LOAN BANKS 4.5 03/10/2028	1,000,000.00	04/24/2023 3.76%	1,032,720.00 1,011,353.71	100.53 4.17%	1,005,309.00 13,875.00	1.06% (6,044.71)	Aa1/AA+ AA+	1.70 1.59
3130AWC24	FEDERAL HOME LOAN BANKS 4.0 06/09/2028	1,000,000.00	07/06/2023 4.49%	978,470.00 991,500.68	99.69 4.17%	996,910.00 2,444.44	1.05% 5,409.32	Aa1/AA+ AA+	1.94 1.84
3130AWTR1	FEDERAL HOME LOAN BANKS 4.375 09/08/2028	1,250,000.00	09/07/2023 4.49%	1,243,625.00 1,247,208.54	100.40 4.18%	1,254,948.75 17,165.80	1.33% 7,740.21	Aa1/AA+ AA+	2.19 2.04
3133EPWK7	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 09/22/2028	1,250,000.00	10/12/2023 4.71%	1,238,412.50 1,244,768.59	100.66 4.18%	1,258,286.25 15,468.75	1.33% 13,517.66	Aa1/AA+ AA+	2.23 2.07
Total Agency		12,365,000.00	4.44%	12,394,714.90 12,368,285.20	100.29 4.10%	12,400,292.86 144,944.76	13.11% 32,007.66		1.21 1.15

AGENCY CMBS									
3137BSP72	FHMS K-058 A2 2.653 08/25/2026	587,443.97	11/29/2022 4.51%	550,132.11 586,579.50	99.68 3.63%	585,570.62 1,298.74	0.62% (1,008.88)	Aa1/AA+ AAA	0.15 0.15
3137BVZ82	FHMS K-063 A2 3.43 01/25/2027	491,862.15	12/05/2022 4.27%	476,203.25 489,920.12	99.47 4.18%	489,276.43 1,405.91	0.52% (643.70)	Aa1/AA+ AAA	0.57 0.41
3137F2LJ3	FHMS K-066 A2 3.117 06/25/2027	984,780.09	05/10/2023 3.93%	954,467.33 977,909.47	98.95 4.19%	974,402.48 2,557.97	1.03% (3,506.99)	Aa1/AA+ AAA	0.99 0.81
3137FAWS3	FHMS K-067 A2 3.194 07/25/2027	1,000,000.00	05/10/2023 3.92%	971,562.50 993,116.92	98.79 4.24%	987,920.00 2,661.67	1.04% (5,196.92)	Aaa/AA+ AA+	1.07 0.98
3137FBU79	FHMS K-069 A2 3.187 09/25/2027	720,444.63	06/09/2023 4.41%	686,730.07 711,096.50	98.59 4.25%	710,297.89 1,913.38	0.75% (798.61)	Aa1/AAA AA+	1.24 1.16
3137FETN0	FHMS K-073 A2 3.35 01/25/2028	965,000.00	05/24/2023 4.34%	927,455.47 952,709.04	98.48 4.31%	950,325.25 2,693.96	1.01% (2,383.79)	Aa1/AA+ AAA	1.57 1.39
3137FKUP9	FHMS K-087 A2 3.771 12/25/2028	964,699.57	09/19/2025 3.79%	962,664.66 963,154.16	98.38 4.42%	949,051.18 3,031.57	1.00% (14,102.98)	Aa1/AAA AA+	2.49 2.22

HOLDINGS REPORT

City of Pittsburgh | Account #10607 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3137FKZZ2	FHMS K-088 A2 3.69 01/25/2029	1,000,000.00	04/30/2025 4.02%	987,617.19 991,525.60	98.12 4.43%	981,214.00 3,075.00	1.04% (10,311.60)	Aaa/AA+ AA+	2.57 2.33
3137FUZC1	FHMS K-111 A2 1.35 05/28/2030	1,000,000.00	03/09/2026 3.94%	902,656.25 909,681.71	89.26 4.45%	892,560.00 1,125.00	0.94% (17,121.71)	Aa1/AA+ AAA	3.91 3.61
3137F9CT6	FHMS K-124 A2 1.658 12/25/2030	1,000,000.00	04/06/2026 4.26%	890,703.13 896,048.82	88.76 4.46%	887,555.00 1,381.67	0.94% (8,493.82)	Aa1/AA+ AAA	4.49 4.19
3137F8ZV8	FHMS K-123 A2 1.621 12/25/2030	1,000,000.00	04/01/2026 4.18%	893,085.94 898,434.79	88.77 4.46%	887,673.00 1,350.83	0.94% (10,761.79)	Aa1/AA+ AAA	4.49 4.13
3137F9Z79	FHMS K-125 A2 1.846 01/25/2031	1,000,000.00	03/17/2026 4.00%	906,523.44 912,031.50	89.37 4.46%	893,701.00 1,538.33	0.95% (18,330.50)	Aa1/AA+ AAA	4.57 4.22
Total Agency CMBS		10,714,230.41	4.10%	10,109,801.34 10,282,208.13	95.34 4.32%	10,189,546.83 24,034.02	10.78% (92,661.30)		2.47 2.25
CASH									
CCYUSD	Receivable	539.63	--	539.63 539.63	1.00	539.63 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		539.63		539.63 539.63	1.00	539.63 0.00	0.00% 0.00		0.00 0.00
CORPORATE									
857477CD3	STATE STREET CORP 5.272 08/03/2026	350,000.00	07/31/2023 5.27%	350,000.00 350,000.00	100.01 5.05%	350,036.40 7,585.82	0.37% 36.40	Aa3/A AA-	0.09 0.01
06428CAA2	BANK OF AMERICA NA 5.526 08/18/2026	500,000.00	08/24/2023 5.48%	500,680.00 500,010.96	100.08 4.82%	500,395.50 10,207.75	0.53% 384.54	Aa2/A+ AA	0.13 0.04
437076CV2	HOME DEPOT INC 4.95 09/30/2026	500,000.00	11/30/2023 4.86%	501,140.00 500,068.40	100.13 4.38%	500,625.00 6,256.25	0.53% 556.60	A2/A A	0.25 0.16
61690U7W4	MORGAN STANLEY BANK NA 5.882 10/30/2026	335,000.00	10/30/2023 5.88%	335,000.00 335,000.00	100.44 4.50%	336,463.95 3,338.85	0.36% 1,463.95	Aa3/A+ AA	0.33 0.24
438516BL9	HONEYWELL INTERNATIONAL INC 2.5 11/01/2026	750,000.00	05/10/2023 3.96%	714,847.50 746,592.78	99.42 4.25%	745,638.00 3,125.00	0.79% (954.78)	A2/A A	0.34 0.33
713448FW3	PEPSICO INC 5.125 11/10/2026	275,000.00	11/08/2023 5.13%	274,925.75 274,991.06	100.30 4.25%	275,818.40 1,996.61	0.29% 827.34	A1/A+ NA	0.36 0.27

HOLDINGS REPORT

City of Pittsburgh | Account #10607 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
24422EXF1	JOHN DEERE CAPITAL CORP 4.5 01/08/2027	500,000.00	01/18/2024 4.52%	499,705.00 499,947.88	100.16 4.18%	500,805.00 10,812.50	0.53% 857.12	A1/A A+	0.53 0.50
17275RBQ4	CISCO SYSTEMS INC 4.8 02/26/2027	1,000,000.00	-- 4.81%	999,831.60 999,956.01	100.36 4.23%	1,003,558.00 16,666.67	1.06% 3,601.99	A1/AA- NA	0.66 0.55
857477CL5	STATE STREET CORP 4.993 03/18/2027	325,000.00	03/13/2024 4.99%	325,000.00 325,000.00	100.50 4.27%	326,624.03 4,642.80	0.35% 1,624.03	Aa3/A AA-	0.71 0.61
14913UAL4	CATERPILLAR FINANCIAL SERVICES CORP 5.0 05/14/2027	1,000,000.00	05/15/2024 4.89%	1,002,930.00 1,000,850.56	100.70 4.17%	1,006,967.00 6,527.78	1.06% 6,116.44	A1/A A+	0.87 0.84
09290DAH4	BLACKROCK INC 4.6 07/26/2027	530,000.00	07/17/2024 4.60%	529,984.10 529,994.34	100.32 4.28%	531,720.91 10,496.94	0.56% 1,726.57	Aa3/AA- NA	1.07 0.94
69371RT30	PACCAR FINANCIAL CORP 4.45 08/06/2027	560,000.00	08/01/2024 4.50%	559,255.20 559,727.25	100.36 4.11%	562,007.60 10,037.22	0.59% 2,280.35	A1/A+ NA	1.10 1.04
532457CP1	ELI LILLY AND CO 4.15 08/14/2027	470,000.00	08/12/2024 4.18%	469,619.30 469,857.80	99.88 4.25%	469,457.62 7,422.74	0.50% (400.18)	Aa3/AA- NA	1.12 1.07
023135BC9	AMAZON.COM INC 3.15 08/22/2027	750,000.00	06/26/2024 4.90%	712,095.00 736,267.26	98.80 4.23%	741,023.25 8,465.63	0.78% 4,755.99	A1/AA AA-	1.15 1.10
66815L2T5	NORTHWESTERN MUTUAL GLOBAL FUNDING 4.11 09/12/2027	545,000.00	09/05/2024 4.11%	544,983.65 544,993.46	99.74 4.33%	543,589.00 6,782.07	0.57% (1,404.47)	Aa1/AA+ AAA	1.20 1.14
58989V2J2	MET TOWER GLOBAL FUNDING 4.0 10/01/2027	750,000.00	10/11/2024 4.23%	745,132.50 747,942.23	99.45 4.45%	745,882.50 7,500.00	0.79% (2,059.73)	Aa3/AA- AA-	1.25 1.19
91324PDE9	UNITEDHEALTH GROUP INC 2.95 10/15/2027	750,000.00	08/22/2024 4.19%	722,842.50 738,857.86	98.29 4.33%	737,175.00 4,670.83	0.78% (1,682.86)	A2/A+ A	1.29 1.24
24422EXZ7	JOHN DEERE CAPITAL CORP 4.65 01/07/2028	375,000.00	01/06/2025 4.66%	374,887.50 374,942.88	100.55 4.27%	377,078.25 8,428.13	0.40% 2,135.37	A1/A A+	1.52 1.42
00287YDY2	ABBVIE INC 4.65 03/15/2028	470,000.00	02/18/2025 4.70%	469,374.90 469,650.10	100.43 4.38%	472,021.47 6,435.08	0.50% 2,371.37	A2/A- NA	1.71 1.53
57629TBW6	MASSMUTUAL GLOBAL FUNDING II 4.45 03/27/2028	720,000.00	03/20/2025 4.49%	719,143.20 719,503.59	100.05 4.42%	720,360.00 8,366.00	0.76% 856.41	Aa3/AA+ AA+	1.74 1.64
64953BBW7	NEW YORK LIFE GLOBAL FUNDING 4.4 04/25/2028	530,000.00	04/22/2025 4.43%	529,629.00 529,775.23	99.84 4.49%	529,174.26 4,275.33	0.56% (600.97)	Aa1/AA+ AAA	1.82 1.71
90331HPS6	US BANK NA 4.73 05/15/2028	660,000.00	05/12/2025 4.88%	660,000.00 660,000.00	100.23 4.51%	661,502.16 3,988.97	0.70% 1,502.16	A2/A+ A+	1.88 0.84

HOLDINGS REPORT

City of Pittsburgh | Account #10607 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
87612EBU9	TARGET CORP 4.35 06/15/2028	280,000.00	06/05/2025 4.35%	279,997.20 279,998.18	100.04 4.33%	280,112.00 541.33	0.30% 113.82	A2/A NA	1.96 1.85
63743HFZ0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.15 08/25/2028	480,000.00	08/19/2025 4.19%	479,462.40 479,614.46	99.18 4.55%	476,072.64 6,972.00	0.50% (3,541.82)	A2/NA A	2.15 2.00
437076DH2	HOME DEPOT INC 3.75 09/15/2028	285,000.00	09/08/2025 3.77%	284,814.75 284,863.60	98.88 4.29%	281,809.43 3,146.88	0.30% (3,054.17)	A2/A A	2.21 2.07
46647PEU6	JPMORGAN CHASE & CO 4.915 01/24/2029	430,000.00	01/16/2025 4.92%	430,000.00 430,000.00	100.49 4.53%	432,086.36 9,216.99	0.46% 2,086.36	A1/A AA-	2.57 1.46
92826CAY8	VISA INC 3.8 02/12/2029	605,000.00	02/03/2026 3.84%	604,304.25 604,392.49	98.77 4.30%	597,586.33 8,876.69	0.63% (6,806.16)	Aa3/AA- NA	2.62 2.42
02079KBJ5	ALPHABET INC 3.7 02/15/2029	285,000.00	02/09/2026 3.83%	283,965.45 284,095.48	98.38 4.36%	280,373.60 4,042.25	0.30% (3,721.88)	Aa2/AA+ NA	2.63 2.43
38151LAJ9	GOLDMAN SACHS BANK USA 4.656 06/03/2029	305,000.00	05/27/2026 4.57%	305,000.00 305,000.00	100.06 4.54%	305,188.80 1,104.51	0.32% 188.80	A1/A+ AA-	2.93 1.81
89236TMK8	TOYOTA MOTOR CREDIT CORP 4.55 08/09/2029	750,000.00	02/27/2025 4.58%	748,965.00 749,276.20	99.96 4.56%	749,709.75 13,460.42	0.79% 433.55	A1/A+ A+	3.11 2.82
61748UAK8	MORGAN STANLEY 4.133 10/18/2029	290,000.00	10/17/2025 4.36%	290,000.00 290,000.00	98.64 4.70%	286,041.50 2,430.43	0.30% (3,958.50)	A1/A- A+	3.30 2.15
06406RCG0	BANK OF NEW YORK MELLON CORP 4.026 01/22/2030	265,000.00	01/14/2026 4.09%	265,000.00 265,000.00	98.61 4.50%	261,309.08 4,712.10	0.28% (3,690.92)	Aa3/A AA-	3.56 2.36
713448GH5	PEPSICO INC 4.3 07/23/2030	500,000.00	07/29/2025 4.32%	499,530.00 499,616.61	99.87 4.34%	499,328.00 9,436.11	0.53% (288.61)	A1/A+ NA	4.06 3.62
30303MAB8	META PLATFORMS INC 4.2 11/15/2030	1,000,000.00	05/15/2026 4.69%	980,360.00 980,886.29	98.43 4.60%	984,313.00 5,366.67	1.04% 3,426.72	Aa3/AA- NA	4.38 3.93
09247XAR2	BLACKROCK FINANCE INC 1.9 01/28/2031	1,000,000.00	03/18/2026 4.34%	894,130.00 900,329.59	89.20 4.54%	892,029.00 8,075.00	0.94% (8,300.59)	Aa3/AA- NA	4.58 4.26
02079KBK2	ALPHABET INC 4.1 02/15/2031	1,000,000.00	03/18/2026 4.22%	994,910.00 995,205.07	98.26 4.52%	982,580.00 15,716.67	1.04% (12,625.07)	Aa2/AA+ NA	4.63 4.10
023135DD5	AMAZON.COM INC 4.25 03/13/2031	500,000.00	03/11/2026 4.31%	498,665.00 498,745.42	98.47 4.62%	492,327.50 6,375.00	0.52% (6,417.92)	A1/AA AA-	4.70 4.16
002824BS8	ABBOTT LABORATORIES 4.0 03/15/2031	1,000,000.00	03/13/2026 4.38%	983,010.00 984,006.13	97.46 4.61%	974,552.00 12,444.44	1.03% (9,454.13)	Aa3/A+ NA	4.71 4.18

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
89236TQB4	TOYOTA MOTOR CREDIT CORP 4.55 05/14/2031	400,000.00	05/15/2026 4.74%	396,672.00 396,752.37	99.17 4.74%	396,686.40 2,376.11	0.42% (65.97)	A1/A+ A+	4.87 4.29
532457DL9	ELI LILLY AND CO 4.375 05/20/2031	1,000,000.00	05/15/2026 4.62%	989,040.00 989,292.09	99.23 4.55%	992,303.00 4,982.64	1.05% 3,010.91	Aa3/AA- NA	4.89 4.33
58933YCK9	MERCK & CO INC 4.65 05/22/2031	1,000,000.00	-- 4.69%	998,082.35 998,124.36	100.16 4.61%	1,001,635.00 5,037.50	1.06% 3,510.64	Aa3/A+ NA	4.89 4.31
57636QBL7	MASTERCARD INC 4.6 06/08/2031	805,000.00	06/04/2026 4.62%	804,356.00 804,364.11	99.85 4.63%	803,762.72 2,365.81	0.85% (601.40)	Aa3/A+ NA	4.94 4.36
67066GAR5	NVIDIA CORP 4.5 06/15/2031	485,000.00	06/15/2026 4.54%	484,078.50 484,085.07	99.65 4.58%	483,283.10 788.13	0.51% (801.97)	Aa1/AA NA	4.96 4.39
Total Corporate		25,310,000.00	4.54%	25,035,349.60 25,117,577.14	99.18 4.44%	25,091,012.48 285,496.64	26.54% (26,564.66)		2.52 2.21
MONEY MARKET FUND									
94975H254	ALLSPRING:GOVT MM S	281,922.97	-- 3.23%	281,922.97 281,922.97	1.00 3.23%	281,922.97 0.00	0.30% 0.00	Aaa/AAAm AAA	0.00 0.00
Total Money Market Fund		281,922.97	3.23%	281,922.97 281,922.97	1.00 3.23%	281,922.97 0.00	0.30% 0.00		0.00 0.00
SUPRANATIONAL									
45950KDF4	INTERNATIONAL FINANCE CORP 4.375 01/15/2027	710,000.00	11/29/2023 4.49%	707,685.40 709,596.58	100.15 4.09%	711,079.91 14,323.26	0.75% 1,483.34	Aaa/AAA NA	0.54 0.52
459058LT8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.625 05/05/2028	660,000.00	04/29/2025 3.70%	658,534.80 659,098.13	99.04 4.17%	653,656.08 3,721.67	0.69% (5,442.05)	Aaa/AAA NA	1.85 1.75
Total Supranational		1,370,000.00	4.11%	1,366,220.20 1,368,694.71	99.62 4.13%	1,364,735.99 18,044.93	1.44% (3,958.72)		1.17 1.11
US TREASURY									
912828U24	UNITED STATES TREASURY 2.0 11/15/2026	1,000,000.00	05/09/2023 3.65%	945,976.56 994,240.30	99.28 3.96%	992,781.00 2,554.35	1.05% (1,459.30)	Aa1/AA+ AA+	0.38 0.37

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
9128283F5	UNITED STATES TREASURY 2.25 11/15/2027	1,500,000.00	05/16/2023 3.59%	1,417,031.25 1,474,649.84	97.46 4.17%	1,461,972.00 4,310.46	1.55% (12,677.84)	Aa1/AA+ AA+	1.38 1.33
9128283W8	UNITED STATES TREASURY 2.75 02/15/2028	1,250,000.00	09/27/2024 3.51%	1,220,019.53 1,235,556.85	97.79 4.17%	1,222,363.75 12,914.36	1.29% (13,193.10)	Aa1/AA+ AA+	1.63 1.55
91282CPC9	UNITED STATES TREASURY 3.5 10/15/2028	1,300,000.00	11/10/2025 3.58%	1,297,105.47 1,297,720.86	98.54 4.17%	1,281,059.00 9,572.40	1.35% (16,661.86)	Aa1/AA+ AA+	2.29 2.16
91282CDF5	UNITED STATES TREASURY 1.375 10/31/2028	1,500,000.00	08/27/2025 3.62%	1,399,687.50 1,426,235.72	93.83 4.18%	1,407,480.00 3,474.86	1.49% (18,755.72)	Aa1/AA+ AA+	2.34 2.25
9128285M8	UNITED STATES TREASURY 3.125 11/15/2028	1,500,000.00	04/18/2024 4.72%	1,402,792.96 1,449,505.86	97.66 4.17%	1,464,961.50 5,986.75	1.55% 15,455.64	Aa1/AA+ AA+	2.38 2.25
91282CEM9	UNITED STATES TREASURY 2.875 04/30/2029	1,500,000.00	09/18/2025 3.60%	1,463,378.91 1,471,291.73	96.58 4.17%	1,448,730.00 7,265.63	1.53% (22,561.73)	Aa1/AA+ AA+	2.83 2.67
9128286T2	UNITED STATES TREASURY 2.375 05/15/2029	1,000,000.00	03/17/2025 4.08%	935,390.63 955,381.68	95.21 4.16%	952,148.00 3,033.29	1.01% (3,233.68)	Aa1/AA+ AA+	2.87 2.73
91282CES6	UNITED STATES TREASURY 2.75 05/31/2029	1,000,000.00	10/30/2025 3.64%	970,312.50 975,827.84	96.16 4.16%	961,602.00 2,329.24	1.02% (14,225.84)	Aa1/AA+ AA+	2.92 2.76
91282CLC3	UNITED STATES TREASURY 4.0 07/31/2029	1,000,000.00	11/05/2024 4.20%	991,445.31 994,425.59	99.52 4.17%	995,234.00 16,685.08	1.05% 808.41	Aa1/AA+ AA+	3.08 2.82
91282CFJ5	UNITED STATES TREASURY 3.125 08/31/2029	1,750,000.00	12/13/2024 4.27%	1,665,712.89 1,693,269.23	96.91 4.17%	1,695,996.75 18,278.70	1.79% 2,727.52	Aa1/AA+ AA+	3.17 2.94
91282CLN9	UNITED STATES TREASURY 3.5 09/30/2029	1,000,000.00	11/26/2025 3.53%	999,062.50 999,206.27	97.97 4.17%	979,688.00 8,797.81	1.04% (19,518.27)	Aa1/AA+ AA+	3.25 3.01
91282CFT3	UNITED STATES TREASURY 4.0 10/31/2029	1,000,000.00	06/16/2025 4.01%	999,687.50 999,761.66	99.45 4.18%	994,492.00 6,739.13	1.05% (5,269.66)	Aa1/AA+ AA+	3.34 3.07
91282CFY2	UNITED STATES TREASURY 3.875 11/30/2029	1,000,000.00	06/06/2025 4.02%	993,984.38 995,408.26	99.04 4.18%	990,352.00 3,282.10	1.05% (5,056.26)	Aa1/AA+ AA+	3.42 3.15
91282CGB1	UNITED STATES TREASURY 3.875 12/31/2029	1,200,000.00	07/30/2025 3.91%	1,198,125.00 1,198,514.17	99.02 4.18%	1,188,187.20 126.36	1.26% (10,326.97)	Aa1/AA+ AA+	3.50 3.24
91282CGJ4	UNITED STATES TREASURY 3.5 01/31/2030	1,750,000.00	12/30/2025 3.60%	1,743,232.42 1,744,057.96	97.75 4.18%	1,710,693.25 25,549.03	1.81% (33,364.71)	Aa1/AA+ AA+	3.59 3.28
91282CGZ8	UNITED STATES TREASURY 3.5 04/30/2030	1,500,000.00	12/09/2025 3.75%	1,484,648.44 1,486,593.74	97.58 4.19%	1,463,671.50 8,845.11	1.55% (22,922.24)	Aa1/AA+ AA+	3.83 3.52
91282CHF1	UNITED STATES TREASURY 3.75 05/31/2030	2,000,000.00	03/12/2026 3.80%	1,995,937.50 1,996,227.68	98.42 4.19%	1,968,360.00 6,352.46	2.08% (27,867.68)	Aa1/AA+ AA+	3.92 3.59

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City of Pittsburg | Account #10607 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CHR5	UNITED STATES TREASURY 4.0 07/31/2030	1,500,000.00	05/04/2026 4.06%	1,496,718.75 1,496,839.57	99.27 4.19%	1,489,101.00 25,027.62	1.57% (7,738.57)	Aa1/AA+ AA+	4.08 3.67
91282CPA3	UNITED STATES TREASURY 3.625 09/30/2030	1,400,000.00	02/25/2026 3.60%	1,401,585.94 1,401,467.73	97.80 4.20%	1,369,156.60 12,756.83	1.45% (32,311.13)	Aa1/AA+ AA+	4.25 3.86
91282CPD7	UNITED STATES TREASURY 3.625 10/31/2030	2,000,000.00	03/05/2026 3.72%	1,991,953.13 1,992,506.94	97.74 4.20%	1,954,844.00 12,214.67	2.07% (37,662.94)	Aa1/AA+ AA+	4.34 3.94
91282CPR6	UNITED STATES TREASURY 3.625 12/31/2030	2,000,000.00	03/05/2026 3.73%	1,990,625.00 1,991,247.87	97.64 4.21%	1,952,890.00 197.01	2.07% (38,357.87)	Aa1/AA+ AA+	4.50 4.10
91282CPW5	UNITED STATES TREASURY 3.75 01/31/2031	2,000,000.00	03/09/2026 3.75%	2,000,000.00 2,000,000.00	98.11 4.21%	1,962,266.00 31,284.53	2.08% (37,734.00)	Aa1/AA+ AA+	4.59 4.10
91282CQD6	UNITED STATES TREASURY 3.5 02/28/2031	2,000,000.00	03/05/2026 3.73%	1,979,531.25 1,980,847.10	97.07 4.20%	1,941,328.00 23,396.74	2.05% (39,519.10)	Aa1/AA+ AA+	4.67 4.20
91282CQG9	UNITED STATES TREASURY 3.875 03/31/2031	2,000,000.00	03/26/2026 4.02%	1,987,031.25 1,987,684.66	98.58 4.21%	1,971,562.00 19,480.87	2.09% (16,122.66)	Aa1/AA+ AA+	4.75 4.25
91282CQK0	UNITED STATES TREASURY 3.875 04/30/2031	2,000,000.00	04/29/2026 4.00%	1,988,671.88 1,989,056.52	98.56 4.21%	1,971,250.00 13,057.07	2.08% (17,806.52)	Aa1/AA+ AA+	4.83 4.33
Total US Treasury		38,650,000.00	3.83%	37,959,648.45 38,227,525.63	97.80 4.18%	37,792,169.55 283,512.49	39.97% (435,356.08)		3.49 3.19
Total Portfolio		96,124,804.25	4.20%	94,580,497.32 95,079,293.36	98.13 4.26%	94,551,180.26 768,628.47	100.00% (528,113.10)		2.72 2.36
Total Market Value + Accrued						95,319,808.73			

HOLDINGS REPORT



City of Pittsburgh Liquidity | Account #10617 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
CASH									
CCYUSD	Receivable	17.74	--	17.74 17.74	1.00	17.74 0.00	0.26% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		17.74		17.74 17.74	1.00	17.74 0.00	0.26% 0.00		0.00 0.00
MONEY MARKET FUND									
94975H254	ALLSPRING:GOVT MM S	6,719.17	-- 3.23%	6,719.17 6,719.17	1.00 3.23%	6,719.17 0.00	99.74% 0.00	Aaa/AAAm AAA	0.00 0.00
Total Money Market Fund		6,719.17	3.23%	6,719.17 6,719.17	1.00 3.23%	6,719.17 0.00	99.74% 0.00		0.00 0.00
Total Portfolio		6,736.91	3.23%	6,736.91 6,736.91	1.00 3.23%	6,736.91 0.00	100.00% 0.00		0.00 0.00
Total Market Value + Accrued						6,736.91			

HOLDINGS REPORT



City of Pittsburg Managed/Reporting Cons | Account #10639 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
44934FAD7	HALST 2024-B A3 5.41 05/17/2027	62,333.32	05/14/2024 5.41%	62,331.59 62,332.81	100.11 3.96%	62,404.26 149.88	0.03% 71.44	NA/AAA AAA	0.88 0.08
58770JAD6	MBALT 2024-A A3 5.32 01/18/2028	127,531.37	05/17/2024 5.73%	127,516.45 127,525.04	100.35 4.20%	127,980.40 301.54	0.05% 455.36	Aaa/NA AAA	1.55 0.30
58769GAD5	MBALT 2024-B A3 4.23 02/15/2028	190,791.37	09/17/2024 4.24%	190,759.26 190,775.96	100.00 4.27%	190,791.56 358.69	0.08% 15.60	NA/AAA AAA	1.63 0.44
89239NAD7	TLOT 2025-A A3 4.75 02/22/2028	390,000.00	02/20/2025 4.75%	389,994.89 389,997.18	100.20 4.34%	390,776.10 566.04	0.16% 778.92	Aaa/AAA NA	1.65 0.43
05592XAD2	BMWOT 2023-A A3 5.47 02/25/2028	23,090.30	07/11/2023 5.47%	23,086.21 23,088.83	100.33 4.10%	23,166.13 21.05	0.01% 77.30	NA/AAA AAA	1.66 0.23
362962AD4	GMALT 2025-2 A3 4.58 05/22/2028	350,000.00	05/20/2025 4.84%	349,994.19 349,996.31	100.23 4.29%	350,794.85 489.81	0.14% 798.54	NA/AAA AAA	1.90 0.68
438123AC5	HAROT 2023-4 A3 5.67 06/21/2028	96,853.20	11/01/2023 5.74%	96,836.14 96,845.91	100.62 4.34%	97,448.85 152.54	0.04% 602.94	Aaa/NA AAA	1.98 0.42
89239FAD4	TAOT 2023-D A3 5.54 08/15/2028	101,269.22	11/07/2023 5.61%	101,258.30 101,264.34	100.63 4.41%	101,908.12 249.35	0.04% 643.79	NA/AAA AAA	2.13 0.53
437918AC9	HAROT 2024-1 A3 5.21 08/15/2028	331,113.84	02/13/2024 5.27%	331,099.44 331,107.01	100.47 4.26%	332,672.06 766.71	0.13% 1,565.05	Aaa/AAA NA	2.13 0.46
05594HAD5	BMWLT 2025-2 A3 3.97 09/25/2028	395,000.00	10/08/2025 4.32%	394,998.89 394,999.16	99.67 4.34%	393,715.46 261.36	0.16% (1,283.70)	NA/AAA AAA	2.24 0.97
89238DAD0	TAOT 2024-A A3 4.83 10/16/2028	198,543.58	01/23/2024 4.89%	198,503.85 198,524.23	100.30 4.30%	199,138.22 426.21	0.08% 613.98	Aaa/AAA NA	2.30 0.51
47800RAD5	JDOT 2024 A3 4.96 11/15/2028	119,279.18	03/11/2024 5.12%	119,272.50 119,275.77	100.37 4.44%	119,723.73 262.94	0.05% 447.96	Aaa/NA AAA	2.38 0.65
36268GAD7	GMCAR 2024-1 A3 4.85 12/18/2028	179,104.09	-- 4.90%	179,083.37 179,093.68	100.28 4.28%	179,599.32 361.94	0.07% 505.63	Aaa/NA AAA	2.47 0.45
36273VAD7	GMALT 2026-1 A3 3.88 01/22/2029	425,000.00	02/03/2026 4.11%	424,944.37 424,951.56	99.29 4.44%	421,991.43 503.86	0.17% (2,960.14)	NA/AAA AAA	2.56 1.35
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	198,673.95	06/04/2024 5.18%	198,643.77 198,656.92	100.51 4.33%	199,679.63 171.52	0.08% 1,022.72	Aaa/AAA NA	2.66 0.56
47786WAD2	JDOT 2024-B A3 5.2 03/15/2029	294,527.84	06/11/2024 5.81%	294,470.26 294,494.97	100.64 4.40%	296,410.17 680.69	0.12% 1,915.19	Aaa/NA AAA	2.71 0.74

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36275AAD1	GMALT 2026-2 A3 4.3 03/20/2029	310,000.00	05/05/2026 4.40%	309,966.46 309,968.01	99.86 4.43%	309,552.36 333.25	0.12% (415.65)	NA/AAA AAA	2.72 1.57
02582JKH2	AMXCA 2024-1 A 5.23 04/16/2029	570,000.00	04/16/2024 5.30%	569,883.15 569,934.48	100.82 4.20%	574,689.96 1,324.93	0.23% 4,755.48	NA/AAA AAA	2.79 0.76
448972AD1	HALST 26B A3 4.21 04/16/2029	290,000.00	04/16/2026 4.22%	289,957.72 289,960.44	99.61 4.47%	288,872.19 542.62	0.12% (1,088.25)	NA/AAA AAA	2.79 1.74
58770XAD5	MBALT 2025-B A3 3.88 04/16/2029	800,000.00	10/16/2025 4.57%	799,868.72 799,894.73	99.38 4.35%	795,020.00 1,379.56	0.32% (4,874.73)	NA/AAA AAA	2.79 1.41
05522RDJ4	BACCT 2024-1 A 4.93 05/15/2029	365,000.00	06/06/2024 4.93%	364,979.52 364,988.09	100.65 4.21%	367,356.08 799.76	0.15% 2,367.99	Aaa/AAA NA	2.87 0.84
05594YAD8	BMWLT 2026-1 A3 4.15 05/25/2029	420,000.00	04/14/2026 4.85%	419,953.59 419,956.47	99.56 4.46%	418,141.50 290.50	0.17% (1,814.97)	Aaa/NA AAA	2.90 1.65
362549AD9	GMCAR 2025-2 A3 4.28 04/16/2030	185,000.00	05/06/2025 4.71%	184,972.77 184,979.02	100.01 4.31%	185,023.13 329.92	0.07% 44.10	Aaa/AAA NA	3.79 0.92
47787DAD3	JDOT 2026 A3 3.87 08/15/2030	310,000.00	03/10/2026 4.49%	309,945.07 309,948.65	98.68 4.46%	305,894.36 533.20	0.12% (4,054.29)	Aaa/NA AAA	4.13 2.38
43814YAD3	HAROT 2026-2 A3 4.3 11/15/2030	700,000.00	05/05/2026 3.02%	699,979.77 699,980.37	99.74 4.46%	698,210.10 1,337.78	0.28% (1,770.27)	Aaa/AAA NA	4.38 2.14
Total ABS		7,433,111.25	4.65%	7,432,300.23 7,432,539.95	99.97 4.35%	7,430,959.95 12,595.64	2.98% (1,580.00)		2.73 1.11

AGENCY									
3133EPVP7	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.75 07/08/2026	1,000,000.00	12/06/2023 4.48%	1,006,424.00 1,000,047.64	100.02 3.82%	1,000,163.00 22,826.39	0.40% 115.36	Aa1/AA+ AA+	0.02 0.02
3133EPZY4	FEDERAL FARM CREDIT BANKS FUNDING CORP 5.0 07/30/2026	1,000,000.00	11/09/2023 4.85%	1,003,740.00 1,000,109.22	100.09 3.82%	1,000,882.00 20,972.22	0.40% 772.78	Aa1/AA+ AA+	0.08 0.08
3133EP6K6	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 03/26/2027	1,000,000.00	03/25/2024 4.45%	1,001,450.00 1,000,354.89	100.26 4.13%	1,002,587.00 11,875.00	0.40% 2,232.11	Aa1/AA+ AA+	0.74 0.71
3130B0TY5	FEDERAL HOME LOAN BANKS 4.75 04/09/2027	865,000.00	04/10/2024 4.85%	862,716.40 864,410.82	100.52 4.06%	869,466.86 9,358.82	0.35% 5,056.04	Aa1/AA+ AA+	0.77 0.75
3133ERDS7	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.75 05/06/2027	1,000,000.00	05/22/2024 4.70%	1,001,317.00 1,000,377.51	100.52 4.11%	1,005,237.00 7,256.94	0.40% 4,859.49	Aa1/AA+ AA+	0.85 0.82

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3130B1EF0	FEDERAL HOME LOAN BANKS 4.625 06/11/2027	1,000,000.00	06/26/2024 4.57%	1,001,530.00 1,000,489.20	100.44 4.14%	1,004,379.00 2,569.44	0.40% 3,889.80	Aa1/AA+ AA+	0.95 0.91
3133ERMB4	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.25 07/23/2027	1,000,000.00	07/18/2024 4.26%	999,690.00 999,890.44	100.14 4.11%	1,001,374.00 18,652.78	0.40% 1,483.56	Aa1/AA+ AA+	1.06 1.01
3130ATUS4	FEDERAL HOME LOAN BANKS 4.25 12/10/2027	1,000,000.00	05/15/2023 3.66%	1,024,620.00 1,007,773.96	100.08 4.19%	1,000,750.00 2,479.17	0.40% (7,023.96)	Aa1/AA+ AA+	1.45 1.38
3130ATS57	FEDERAL HOME LOAN BANKS 4.5 03/10/2028	1,000,000.00	04/24/2023 3.76%	1,032,720.00 1,011,353.71	100.53 4.17%	1,005,309.00 13,875.00	0.40% (6,044.71)	Aa1/AA+ AA+	1.70 1.59
3130AWC24	FEDERAL HOME LOAN BANKS 4.0 06/09/2028	1,000,000.00	07/06/2023 4.49%	978,470.00 991,500.68	99.69 4.17%	996,910.00 2,444.44	0.40% 5,409.32	Aa1/AA+ AA+	1.94 1.84
3130AWTR1	FEDERAL HOME LOAN BANKS 4.375 09/08/2028	1,250,000.00	09/07/2023 4.49%	1,243,625.00 1,247,208.54	100.40 4.18%	1,254,948.75 17,165.80	0.50% 7,740.21	Aa1/AA+ AA+	2.19 2.04
3133EPWK7	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 09/22/2028	1,250,000.00	10/12/2023 4.71%	1,238,412.50 1,244,768.59	100.66 4.18%	1,258,286.25 15,468.75	0.50% 13,517.66	Aa1/AA+ AA+	2.23 2.07
Total Agency		12,365,000.00	4.44%	12,394,714.90 12,368,285.20	100.29 4.10%	12,400,292.86 144,944.76	4.97% 32,007.66		1.21 1.15

AGENCY CMBS									
3137BSP72	FHMS K-058 A2 2.653 08/25/2026	587,443.97	11/29/2022 4.51%	550,132.11 586,579.50	99.68 3.63%	585,570.62 1,298.74	0.23% (1,008.88)	Aa1/AA+ AAA	0.15 0.15
3137BVZ82	FHMS K-063 A2 3.43 01/25/2027	491,862.15	12/05/2022 4.27%	476,203.25 489,920.12	99.47 4.18%	489,276.43 1,405.91	0.20% (643.70)	Aa1/AA+ AAA	0.57 0.41
3137F2LJ3	FHMS K-066 A2 3.117 06/25/2027	984,780.09	05/10/2023 3.93%	954,467.33 977,909.47	98.95 4.19%	974,402.48 2,557.97	0.39% (3,506.99)	Aa1/AA+ AAA	0.99 0.81
3137FAWS3	FHMS K-067 A2 3.194 07/25/2027	1,000,000.00	05/10/2023 3.92%	971,562.50 993,116.92	98.79 4.24%	987,920.00 2,661.67	0.40% (5,196.92)	Aaa/AA+ AA+	1.07 0.98
3137FBU79	FHMS K-069 A2 3.187 09/25/2027	720,444.63	06/09/2023 4.41%	686,730.07 711,096.50	98.59 4.25%	710,297.89 1,913.38	0.28% (798.61)	Aa1/AAA AA+	1.24 1.16
3137FETN0	FHMS K-073 A2 3.35 01/25/2028	965,000.00	05/24/2023 4.34%	927,455.47 952,709.04	98.48 4.31%	950,325.25 2,693.96	0.38% (2,383.79)	Aa1/AA+ AAA	1.57 1.39
3137FKUP9	FHMS K-087 A2 3.771 12/25/2028	964,699.57	09/19/2025 3.79%	962,664.66 963,154.16	98.38 4.42%	949,051.18 3,031.57	0.38% (14,102.98)	Aa1/AAA AA+	2.49 2.22

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3137FKZZ2	FHMS K-088 A2 3.69 01/25/2029	1,000,000.00	04/30/2025 4.02%	987,617.19 991,525.60	98.12 4.43%	981,214.00 3,075.00	0.39% (10,311.60)	Aaa/AA+ AA+	2.57 2.33
3137FUZC1	FHMS K-111 A2 1.35 05/28/2030	1,000,000.00	03/09/2026 3.94%	902,656.25 909,681.71	89.26 4.45%	892,560.00 1,125.00	0.36% (17,121.71)	Aa1/AA+ AAA	3.91 3.61
3137F9CT6	FHMS K-124 A2 1.658 12/25/2030	1,000,000.00	04/06/2026 4.26%	890,703.13 896,048.82	88.76 4.46%	887,555.00 1,381.67	0.36% (8,493.82)	Aa1/AA+ AAA	4.49 4.19
3137F8ZV8	FHMS K-123 A2 1.621 12/25/2030	1,000,000.00	04/01/2026 4.18%	893,085.94 898,434.79	88.77 4.46%	887,673.00 1,350.83	0.36% (10,761.79)	Aa1/AA+ AAA	4.49 4.13
3137F9Z79	FHMS K-125 A2 1.846 01/25/2031	1,000,000.00	03/17/2026 4.00%	906,523.44 912,031.50	89.37 4.46%	893,701.00 1,538.33	0.36% (18,330.50)	Aa1/AA+ AAA	4.57 4.22
Total Agency CMBS		10,714,230.41	4.10%	10,109,801.34 10,282,208.13	95.34 4.32%	10,189,546.83 24,034.02	4.09% (92,661.30)		2.47 2.25
CASH									
90PITT\$00	City of Pittsburg	23,830,029.18	-- 0.00%	23,830,029.18 23,830,029.18	1.00 0.00%	23,830,029.18 0.00	9.56% 0.00	NA/NA NA	0.00 0.00
90PITT\$02	City of Pittsburg	74,478,363.12	-- 0.00%	74,478,363.12 74,478,363.12	1.00 0.00%	74,478,363.12 0.00	29.87% 0.00	NA/NA NA	0.00 0.00
CCYUSD	Receivable	272,954.99	--	272,954.99 272,954.99	1.00	272,954.99 0.00	0.11% 0.00	Aaa/AAA AAA	0.00 0.00
CCYUSD	Receivable	17.74	--	17.74 17.74	1.00	17.74 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
CCYUSD	Receivable	539.63	--	539.63 539.63	1.00	539.63 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		98,581,904.66	0.00%	98,581,904.66 98,581,904.66	1.00 0.00%	98,581,904.66 0.00	39.53% 0.00		0.00 0.00
CORPORATE									
857477CD3	STATE STREET CORP 5.272 08/03/2026	350,000.00	07/31/2023 5.27%	350,000.00 350,000.00	100.01 5.05%	350,036.40 7,585.82	0.14% 36.40	Aa3/A AA-	0.09 0.01
06428CAA2	BANK OF AMERICA NA 5.526 08/18/2026	500,000.00	08/24/2023 5.48%	500,680.00 500,010.96	100.08 4.82%	500,395.50 10,207.75	0.20% 384.54	Aa2/A+ AA	0.13 0.04

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437076CV2	HOME DEPOT INC 4.95 09/30/2026	500,000.00	11/30/2023 4.86%	501,140.00 500,068.40	100.13 4.38%	500,625.00 6,256.25	0.20% 556.60	A2/A A	0.25 0.16
61690U7W4	MORGAN STANLEY BANK NA 5.882 10/30/2026	335,000.00	10/30/2023 5.88%	335,000.00 335,000.00	100.44 4.50%	336,463.95 3,338.85	0.13% 1,463.95	Aa3/A+ AA	0.33 0.24
438516BL9	HONEYWELL INTERNATIONAL INC 2.5 11/01/2026	750,000.00	05/10/2023 3.96%	714,847.50 746,592.78	99.42 4.25%	745,638.00 3,125.00	0.30% (954.78)	A2/A A	0.34 0.33
713448FW3	PEPSICO INC 5.125 11/10/2026	275,000.00	11/08/2023 5.13%	274,925.75 274,991.06	100.30 4.25%	275,818.40 1,996.61	0.11% 827.34	A1/A+ NA	0.36 0.27
24422EXF1	JOHN DEERE CAPITAL CORP 4.5 01/08/2027	500,000.00	01/18/2024 4.52%	499,705.00 499,947.88	100.16 4.18%	500,805.00 10,812.50	0.20% 857.12	A1/A A+	0.53 0.50
17275RBQ4	CISCO SYSTEMS INC 4.8 02/26/2027	1,000,000.00	-- 4.81%	999,831.60 999,956.01	100.36 4.23%	1,003,558.00 16,666.67	0.40% 3,601.99	A1/AA- NA	0.66 0.55
857477CL5	STATE STREET CORP 4.993 03/18/2027	325,000.00	03/13/2024 4.99%	325,000.00 325,000.00	100.50 4.27%	326,624.03 4,642.80	0.13% 1,624.03	Aa3/A AA-	0.71 0.61
14913UAL4	CATERPILLAR FINANCIAL SERVICES CORP 5.0 05/14/2027	1,000,000.00	05/15/2024 4.89%	1,002,930.00 1,000,850.56	100.70 4.17%	1,006,967.00 6,527.78	0.40% 6,116.44	A1/A A+	0.87 0.84
09290DAH4	BLACKROCK INC 4.6 07/26/2027	530,000.00	07/17/2024 4.60%	529,984.10 529,994.34	100.32 4.28%	531,720.91 10,496.94	0.21% 1,726.57	Aa3/AA- NA	1.07 0.94
69371RT30	PACCAR FINANCIAL CORP 4.45 08/06/2027	560,000.00	08/01/2024 4.50%	559,255.20 559,727.25	100.36 4.11%	562,007.60 10,037.22	0.23% 2,280.35	A1/A+ NA	1.10 1.04
532457CP1	ELI LILLY AND CO 4.15 08/14/2027	470,000.00	08/12/2024 4.18%	469,619.30 469,857.80	99.88 4.25%	469,457.62 7,422.74	0.19% (400.18)	Aa3/AA- NA	1.12 1.07
023135BC9	AMAZON.COM INC 3.15 08/22/2027	750,000.00	06/26/2024 4.90%	712,095.00 736,267.26	98.80 4.23%	741,023.25 8,465.63	0.30% 4,755.99	A1/AA AA-	1.15 1.10
66815L2T5	NORTHWESTERN MUTUAL GLOBAL FUNDING 4.11 09/12/2027	545,000.00	09/05/2024 4.11%	544,983.65 544,993.46	99.74 4.33%	543,589.00 6,782.07	0.22% (1,404.47)	Aa1/AA+ AAA	1.20 1.14
58989V2J2	MET TOWER GLOBAL FUNDING 4.0 10/01/2027	750,000.00	10/11/2024 4.23%	745,132.50 747,942.23	99.45 4.45%	745,882.50 7,500.00	0.30% (2,059.73)	Aa3/AA- AA-	1.25 1.19
91324PDE9	UNITEDHEALTH GROUP INC 2.95 10/15/2027	750,000.00	08/22/2024 4.19%	722,842.50 738,857.86	98.29 4.33%	737,175.00 4,670.83	0.30% (1,682.86)	A2/A+ A	1.29 1.24
24422EXZ7	JOHN DEERE CAPITAL CORP 4.65 01/07/2028	375,000.00	01/06/2025 4.66%	374,887.50 374,942.88	100.55 4.27%	377,078.25 8,428.13	0.15% 2,135.37	A1/A A+	1.52 1.42

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00287YDY2	ABBVIE INC 4.65 03/15/2028	470,000.00	02/18/2025 4.70%	469,374.90 469,650.10	100.43 4.38%	472,021.47 6,435.08	0.19% 2,371.37	A2/A- NA	1.71 1.53
57629TBW6	MASSMUTUAL GLOBAL FUNDING II 4.45 03/27/2028	720,000.00	03/20/2025 4.49%	719,143.20 719,503.59	100.05 4.42%	720,360.00 8,366.00	0.29% 856.41	Aa3/AA+ AA+	1.74 1.64
64953BBW7	NEW YORK LIFE GLOBAL FUNDING 4.4 04/25/2028	530,000.00	04/22/2025 4.43%	529,629.00 529,775.23	99.84 4.49%	529,174.26 4,275.33	0.21% (600.97)	Aa1/AA+ AAA	1.82 1.71
90331HPS6	US BANK NA 4.73 05/15/2028	660,000.00	05/12/2025 4.88%	660,000.00 660,000.00	100.23 4.51%	661,502.16 3,988.97	0.27% 1,502.16	A2/A+ A+	1.88 0.84
87612EBU9	TARGET CORP 4.35 06/15/2028	280,000.00	06/05/2025 4.35%	279,997.20 279,998.18	100.04 4.33%	280,112.00 541.33	0.11% 113.82	A2/A NA	1.96 1.85
63743HFZ0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.15 08/25/2028	480,000.00	08/19/2025 4.19%	479,462.40 479,614.46	99.18 4.55%	476,072.64 6,972.00	0.19% (3,541.82)	A2/NA A	2.15 2.00
437076DH2	HOME DEPOT INC 3.75 09/15/2028	285,000.00	09/08/2025 3.77%	284,814.75 284,863.60	98.88 4.29%	281,809.43 3,146.88	0.11% (3,054.17)	A2/A A	2.21 2.07
46647PEU6	JPMORGAN CHASE & CO 4.915 01/24/2029	430,000.00	01/16/2025 4.92%	430,000.00 430,000.00	100.49 4.53%	432,086.36 9,216.99	0.17% 2,086.36	A1/A AA-	2.57 1.46
92826CAY8	VISA INC 3.8 02/12/2029	605,000.00	02/03/2026 3.84%	604,304.25 604,392.49	98.77 4.30%	597,586.33 8,876.69	0.24% (6,806.16)	Aa3/AA- NA	2.62 2.42
02079KBJ5	ALPHABET INC 3.7 02/15/2029	285,000.00	02/09/2026 3.83%	283,965.45 284,095.48	98.38 4.36%	280,373.60 4,042.25	0.11% (3,721.88)	Aa2/AA+ NA	2.63 2.43
38151LAJ9	GOLDMAN SACHS BANK USA 4.656 06/03/2029	305,000.00	05/27/2026 4.57%	305,000.00 305,000.00	100.06 4.54%	305,188.80 1,104.51	0.12% 188.80	A1/A+ AA-	2.93 1.81
89236TMK8	TOYOTA MOTOR CREDIT CORP 4.55 08/09/2029	750,000.00	02/27/2025 4.58%	748,965.00 749,276.20	99.96 4.56%	749,709.75 13,460.42	0.30% 433.55	A1/A+ A+	3.11 2.82
61748UAK8	MORGAN STANLEY 4.133 10/18/2029	290,000.00	10/17/2025 4.36%	290,000.00 290,000.00	98.64 4.70%	286,041.50 2,430.43	0.11% (3,958.50)	A1/A- A+	3.30 2.15
06406RCG0	BANK OF NEW YORK MELLON CORP 4.026 01/22/2030	265,000.00	01/14/2026 4.09%	265,000.00 265,000.00	98.61 4.50%	261,309.08 4,712.10	0.10% (3,690.92)	Aa3/A AA-	3.56 2.36
713448GH5	PEPSICO INC 4.3 07/23/2030	500,000.00	07/29/2025 4.32%	499,530.00 499,616.61	99.87 4.34%	499,328.00 9,436.11	0.20% (288.61)	A1/A+ NA	4.06 3.62
30303MAB8	META PLATFORMS INC 4.2 11/15/2030	1,000,000.00	05/15/2026 4.69%	980,360.00 980,886.29	98.43 4.60%	984,313.00 5,366.67	0.39% 3,426.72	Aa3/AA- NA	4.38 3.93

HOLDINGS REPORT



City of Pittsburgh Managed/Reporting Cons | Account #10639 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
09247XAR2	BLACKROCK FINANCE INC 1.9 01/28/2031	1,000,000.00	03/18/2026 4.34%	894,130.00 900,329.59	89.20 4.54%	892,029.00 8,075.00	0.36% (8,300.59)	Aa3/AA- NA	4.58 4.26
02079KBK2	ALPHABET INC 4.1 02/15/2031	1,000,000.00	03/18/2026 4.22%	994,910.00 995,205.07	98.26 4.52%	982,580.00 15,716.67	0.39% (12,625.07)	Aa2/AA+ NA	4.63 4.10
023135DD5	AMAZON.COM INC 4.25 03/13/2031	500,000.00	03/11/2026 4.31%	498,665.00 498,745.42	98.47 4.62%	492,327.50 6,375.00	0.20% (6,417.92)	A1/AA AA-	4.70 4.16
002824BS8	ABBOTT LABORATORIES 4.0 03/15/2031	1,000,000.00	03/13/2026 4.38%	983,010.00 984,006.13	97.46 4.61%	974,552.00 12,444.44	0.39% (9,454.13)	Aa3/A+ NA	4.71 4.18
89236TQB4	TOYOTA MOTOR CREDIT CORP 4.55 05/14/2031	400,000.00	05/15/2026 4.74%	396,672.00 396,752.37	99.17 4.74%	396,686.40 2,376.11	0.16% (65.97)	A1/A+ A+	4.87 4.29
532457DL9	ELI LILLY AND CO 4.375 05/20/2031	1,000,000.00	05/15/2026 4.62%	989,040.00 989,292.09	99.23 4.55%	992,303.00 4,982.64	0.40% 3,010.91	Aa3/AA- NA	4.89 4.33
58933YCK9	MERCK & CO INC 4.65 05/22/2031	1,000,000.00	-- 4.69%	998,082.35 998,124.36	100.16 4.61%	1,001,635.00 5,037.50	0.40% 3,510.64	Aa3/A+ NA	4.89 4.31
57636QBL7	MASTERCARD INC 4.6 06/08/2031	805,000.00	06/04/2026 4.62%	804,356.00 804,364.11	99.85 4.63%	803,762.72 2,365.81	0.32% (601.40)	Aa3/A+ NA	4.94 4.36
67066GAR5	NVIDIA CORP 4.5 06/15/2031	485,000.00	06/15/2026 4.54%	484,078.50 484,085.07	99.65 4.58%	483,283.10 788.13	0.19% (801.97)	Aa1/AA NA	4.96 4.39
Total Corporate		25,310,000.00	4.54%	25,035,349.60 25,117,577.14	99.18 4.44%	25,091,012.48 285,496.64	10.06% (26,564.66)		2.52 2.21
EQUITY MUTUAL FUND									
90PARS\$00	City of Pittsburgh	6,018,915.64	-- 0.00%	6,018,915.64 6,018,915.64	1.00 0.00%	6,018,915.64 0.00	2.41% 0.00	NA/NA NA	0.00 0.00
Total Equity Mutual Fund		6,018,915.64	0.00%	6,018,915.64 6,018,915.64	1.00 0.00%	6,018,915.64 0.00	2.41% 0.00		0.00 0.00
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	50,215,342.92	-- 3.82%	50,215,342.92 50,215,342.92	1.00 3.82%	50,215,342.92 0.00	20.14% 0.00	NA/NA NA	0.00 0.00
Total LAIF		50,215,342.92	3.82%	50,215,342.92 50,215,342.92	1.00 3.82%	50,215,342.92 0.00	20.14% 0.00		0.00 0.00

HOLDINGS REPORT



City of Pittsburg Managed/Reporting Cons | Account #10639 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
MONEY MARKET FUND									
94975H254	ALLSPRING:GOVT MM S	6,719.17	-- 3.23%	6,719.17 6,719.17	1.00 3.23%	6,719.17 0.00	0.00% 0.00	Aaa/AAAm AAA	0.00 0.00
94975H254	ALLSPRING:GOVT MM S	281,922.97	-- 3.23%	281,922.97 281,922.97	1.00 3.23%	281,922.97 0.00	0.11% 0.00	Aaa/AAAm AAA	0.00 0.00
Total Money Market Fund		288,642.14	3.23%	288,642.14 288,642.14	1.00 3.23%	288,642.14 0.00	0.12% 0.00		0.00 0.00
SUPRANATIONAL									
45950KDF4	INTERNATIONAL FINANCE CORP 4.375 01/15/2027	710,000.00	11/29/2023 4.49%	707,685.40 709,596.58	100.15 4.09%	711,079.91 14,323.26	0.29% 1,483.34	Aaa/AAA NA	0.54 0.52
459058LT8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.625 05/05/2028	660,000.00	04/29/2025 3.70%	658,534.80 659,098.13	99.04 4.17%	653,656.08 3,721.67	0.26% (5,442.05)	Aaa/AAA NA	1.85 1.75
Total Supranational		1,370,000.00	4.11%	1,366,220.20 1,368,694.71	99.62 4.13%	1,364,735.99 18,044.93	0.55% (3,958.72)		1.17 1.11
US TREASURY									
912828U24	UNITED STATES TREASURY 2.0 11/15/2026	1,000,000.00	05/09/2023 3.65%	945,976.56 994,240.30	99.28 3.96%	992,781.00 2,554.35	0.40% (1,459.30)	Aa1/AA+ AA+	0.38 0.37
9128283F5	UNITED STATES TREASURY 2.25 11/15/2027	1,500,000.00	05/16/2023 3.59%	1,417,031.25 1,474,649.84	97.46 4.17%	1,461,972.00 4,310.46	0.59% (12,677.84)	Aa1/AA+ AA+	1.38 1.33
9128283W8	UNITED STATES TREASURY 2.75 02/15/2028	1,250,000.00	09/27/2024 3.51%	1,220,019.53 1,235,556.85	97.79 4.17%	1,222,363.75 12,914.36	0.49% (13,193.10)	Aa1/AA+ AA+	1.63 1.55
91282CPC9	UNITED STATES TREASURY 3.5 10/15/2028	1,300,000.00	11/10/2025 3.58%	1,297,105.47 1,297,720.86	98.54 4.17%	1,281,059.00 9,572.40	0.51% (16,661.86)	Aa1/AA+ AA+	2.29 2.16
91282CDF5	UNITED STATES TREASURY 1.375 10/31/2028	1,500,000.00	08/27/2025 3.62%	1,399,687.50 1,426,235.72	93.83 4.18%	1,407,480.00 3,474.86	0.56% (18,755.72)	Aa1/AA+ AA+	2.34 2.25
9128285M8	UNITED STATES TREASURY 3.125 11/15/2028	1,500,000.00	04/18/2024 4.72%	1,402,792.96 1,449,505.86	97.66 4.17%	1,464,961.50 5,986.75	0.59% 15,455.64	Aa1/AA+ AA+	2.38 2.25

HOLDINGS REPORT



City of Pittsburg Managed/Reporting Cons | Account #10639 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CEM9	UNITED STATES TREASURY 2.875 04/30/2029	1,500,000.00	09/18/2025 3.60%	1,463,378.91 1,471,291.73	96.58 4.17%	1,448,730.00 7,265.63	0.58% (22,561.73)	Aa1/AA+ AA+	2.83 2.67
9128286T2	UNITED STATES TREASURY 2.375 05/15/2029	1,000,000.00	03/17/2025 4.08%	935,390.63 955,381.68	95.21 4.16%	952,148.00 3,033.29	0.38% (3,233.68)	Aa1/AA+ AA+	2.87 2.73
91282CES6	UNITED STATES TREASURY 2.75 05/31/2029	1,000,000.00	10/30/2025 3.64%	970,312.50 975,827.84	96.16 4.16%	961,602.00 2,329.24	0.39% (14,225.84)	Aa1/AA+ AA+	2.92 2.76
91282CLC3	UNITED STATES TREASURY 4.0 07/31/2029	1,000,000.00	11/05/2024 4.20%	991,445.31 994,425.59	99.52 4.17%	995,234.00 16,685.08	0.40% 808.41	Aa1/AA+ AA+	3.08 2.82
91282CFJ5	UNITED STATES TREASURY 3.125 08/31/2029	1,750,000.00	12/13/2024 4.27%	1,665,712.89 1,693,269.23	96.91 4.17%	1,695,996.75 18,278.70	0.68% 2,727.52	Aa1/AA+ AA+	3.17 2.94
91282CLN9	UNITED STATES TREASURY 3.5 09/30/2029	1,000,000.00	11/26/2025 3.53%	999,062.50 999,206.27	97.97 4.17%	979,688.00 8,797.81	0.39% (19,518.27)	Aa1/AA+ AA+	3.25 3.01
91282CFT3	UNITED STATES TREASURY 4.0 10/31/2029	1,000,000.00	06/16/2025 4.01%	999,687.50 999,761.66	99.45 4.18%	994,492.00 6,739.13	0.40% (5,269.66)	Aa1/AA+ AA+	3.34 3.07
91282CFY2	UNITED STATES TREASURY 3.875 11/30/2029	1,000,000.00	06/06/2025 4.02%	993,984.38 995,408.26	99.04 4.18%	990,352.00 3,282.10	0.40% (5,056.26)	Aa1/AA+ AA+	3.42 3.15
91282CGB1	UNITED STATES TREASURY 3.875 12/31/2029	1,200,000.00	07/30/2025 3.91%	1,198,125.00 1,198,514.17	99.02 4.18%	1,188,187.20 126.36	0.48% (10,326.97)	Aa1/AA+ AA+	3.50 3.24
91282CGJ4	UNITED STATES TREASURY 3.5 01/31/2030	1,750,000.00	12/30/2025 3.60%	1,743,232.42 1,744,057.96	97.75 4.18%	1,710,693.25 25,549.03	0.69% (33,364.71)	Aa1/AA+ AA+	3.59 3.28
91282CGZ8	UNITED STATES TREASURY 3.5 04/30/2030	1,500,000.00	12/09/2025 3.75%	1,484,648.44 1,486,593.74	97.58 4.19%	1,463,671.50 8,845.11	0.59% (22,922.24)	Aa1/AA+ AA+	3.83 3.52
91282CHF1	UNITED STATES TREASURY 3.75 05/31/2030	2,000,000.00	03/12/2026 3.80%	1,995,937.50 1,996,227.68	98.42 4.19%	1,968,360.00 6,352.46	0.79% (27,867.68)	Aa1/AA+ AA+	3.92 3.59
91282CHR5	UNITED STATES TREASURY 4.0 07/31/2030	1,500,000.00	05/04/2026 4.06%	1,496,718.75 1,496,839.57	99.27 4.19%	1,489,101.00 25,027.62	0.60% (7,738.57)	Aa1/AA+ AA+	4.08 3.67
91282CPA3	UNITED STATES TREASURY 3.625 09/30/2030	1,400,000.00	02/25/2026 3.60%	1,401,585.94 1,401,467.73	97.80 4.20%	1,369,156.60 12,756.83	0.55% (32,311.13)	Aa1/AA+ AA+	4.25 3.86
91282CPD7	UNITED STATES TREASURY 3.625 10/31/2030	2,000,000.00	03/05/2026 3.72%	1,991,953.13 1,992,506.94	97.74 4.20%	1,954,844.00 12,214.67	0.78% (37,662.94)	Aa1/AA+ AA+	4.34 3.94
91282CPR6	UNITED STATES TREASURY 3.625 12/31/2030	2,000,000.00	03/05/2026 3.73%	1,990,625.00 1,991,247.87	97.64 4.21%	1,952,890.00 197.01	0.78% (38,357.87)	Aa1/AA+ AA+	4.50 4.10
91282CPW5	UNITED STATES TREASURY 3.75 01/31/2031	2,000,000.00	03/09/2026 3.75%	2,000,000.00 2,000,000.00	98.11 4.21%	1,962,266.00 31,284.53	0.79% (37,734.00)	Aa1/AA+ AA+	4.59 4.10

HOLDINGS REPORT



City of Pittsburgh Managed/Reporting Cons | Account #10639 | As of June 30, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CQD6	UNITED STATES TREASURY 3.5 02/28/2031	2,000,000.00	03/05/2026 3.73%	1,979,531.25 1,980,847.10	97.07 4.20%	1,941,328.00 23,396.74	0.78% (39,519.10)	Aa1/AA+ AA+	4.67 4.20
91282CQG9	UNITED STATES TREASURY 3.875 03/31/2031	2,000,000.00	03/26/2026 4.02%	1,987,031.25 1,987,684.66	98.58 4.21%	1,971,562.00 19,480.87	0.79% (16,122.66)	Aa1/AA+ AA+	4.75 4.25
91282CQK0	UNITED STATES TREASURY 3.875 04/30/2031	2,000,000.00	04/29/2026 4.00%	1,988,671.88 1,989,056.52	98.56 4.21%	1,971,250.00 13,057.07	0.79% (17,806.52)	Aa1/AA+ AA+	4.83 4.33
Total US Treasury		38,650,000.00	3.83%	37,959,648.45 38,227,525.63	97.80 4.18%	37,792,169.55 283,512.49	15.15% (435,356.08)		3.49 3.19
Total Portfolio		250,947,147.01	2.36%	249,402,840.08 249,901,636.12	37.83 2.39%	249,373,523.02 768,628.47	100.00% (528,113.10)		1.03 0.89
Total Market Value + Accrued						250,142,151.49			

TRANSACTIONS

TRANSACTION LEDGER

City of Pittsburgh | Account #10607 | 04/01/2026 Through 06/30/2026 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	04/07/2026	3137F8ZV8	1,000,000.00	FHMS K-123 A2 1.621 12/25/2030	89.309	4.18%	(893,085.94)	(270.17)	(893,356.11)	0.00
Purchase	04/09/2026	3137F9CT6	1,000,000.00	FHMS K-124 A2 1.658 12/25/2030	89.070	4.26%	(890,703.13)	(368.44)	(891,071.57)	0.00
Purchase	04/22/2026	05594YAD8	420,000.00	BMWLT 2026-1 A3 4.15 05/25/2029	99.989	4.85%	(419,953.59)	0.00	(419,953.59)	0.00
Purchase	04/22/2026	448972AD1	290,000.00	HALST 26B A3 4.21 04/16/2029	99.985	4.22%	(289,957.72)	0.00	(289,957.72)	0.00
Purchase	04/30/2026	91282CQK0	2,000,000.00	UNITED STATES TREASURY 3.875 04/30/2031	99.434	4.00%	(1,988,671.88)	0.00	(1,988,671.88)	0.00
Purchase	05/05/2026	91282CHR5	1,500,000.00	UNITED STATES TREASURY 4.0 07/31/2030	99.781	4.06%	(1,496,718.75)	(15,580.11)	(1,512,298.86)	0.00
Purchase	05/13/2026	43814YAD3	700,000.00	HAROT 2026-2 A3 4.3 11/15/2030	99.997	3.02%	(699,979.77)	0.00	(699,979.77)	0.00
Purchase	05/14/2026	36275AAD1	310,000.00	GMALT 2026-2 A3 4.3 03/20/2029	99.989	4.40%	(309,966.46)	0.00	(309,966.46)	0.00
Purchase	05/18/2026	30303MAB8	1,000,000.00	META PLATFORMS INC 4.2 11/15/2030	98.036	4.69%	(980,360.00)	(350.00)	(980,710.00)	0.00
Purchase	05/18/2026	89236TQB4	400,000.00	TOYOTA MOTOR CREDIT CORP 4.55 05/14/2031	99.168	4.74%	(396,672.00)	(202.22)	(396,874.22)	0.00
Purchase	05/20/2026	532457DL9	1,000,000.00	ELI LILLY AND CO 4.375 05/20/2031	98.904	4.62%	(989,040.00)	0.00	(989,040.00)	0.00
Purchase	05/22/2026	58933YCK9	385,000.00	MERCK & CO INC 4.65 05/22/2031	99.938	4.66%	(384,761.30)	0.00	(384,761.30)	0.00
Purchase	05/22/2026	58933YCK9	615,000.00	MERCK & CO INC 4.65 05/22/2031	99.727	4.71%	(613,321.05)	0.00	(613,321.05)	0.00
Purchase	06/03/2026	38151LAJ9	305,000.00	GOLDMAN SACHS BANK USA 4.656 06/03/2029	100.000	4.57%	(305,000.00)	0.00	(305,000.00)	0.00
Purchase	06/08/2026	57636QBL7	805,000.00	MASTERCARD INC 4.6 06/08/2031	99.920	4.62%	(804,356.00)	0.00	(804,356.00)	0.00

TRANSACTION LEDGER



City of Pittsburgh | Account #10607 | 04/01/2026 Through 06/30/2026 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	06/18/2026	67066GAR5	485,000.00	NVIDIA CORP 4.5 06/15/2031	99.810	4.54%	(484,078.50)	0.00	(484,078.50)	0.00
Total Purchase			12,215,000.00				(11,946,626.09)	(16,770.94)	(11,963,397.03)	0.00
TOTAL ACQUISITIONS			12,215,000.00				(11,946,626.09)	(16,770.94)	(11,963,397.03)	0.00
DISPOSITIONS										
Maturity	04/28/2026	3133EPHH1	(1,500,000.00)	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.0 04/28/2026	100.000	3.90%	1,500,000.00	0.00	1,500,000.00	0.00
Maturity	05/03/2026	00440EAV9	(750,000.00)	CHUBB INA HOLDINGS LLC 3.35 05/03/2026	100.000	5.19%	750,000.00	0.00	750,000.00	0.00
Maturity	05/11/2026	69371RR32	(600,000.00)	PACCAR FINANCIAL CORP 1.1 05/11/2026	100.000	4.54%	600,000.00	0.00	600,000.00	0.00
Maturity	05/15/2026	4581X0EK0	(750,000.00)	INTER-AMERICAN DEVELOPMENT BANK 4.5 05/15/2026	100.000	4.53%	750,000.00	0.00	750,000.00	0.00
Maturity	06/18/2026	89236TJK2	(250,000.00)	TOYOTA MOTOR CREDIT CORP 1.125 06/18/2026	100.000	4.55%	250,000.00	0.00	250,000.00	0.00
Total Maturity			(3,850,000.00)				3,850,000.00	0.00	3,850,000.00	0.00
Sale	04/06/2026	912828V98	(500,000.00)	UNITED STATES TREASURY 2.25 02/15/2027	98.738	4.06%	493,691.41	1,553.87	495,245.28	799.81
Sale	04/08/2026	78016HZT0	(665,000.00)	ROYAL BANK OF CANADA 4.875 01/19/2027	100.561	4.88%	668,730.65	7,114.11	675,844.76	3,774.03
Sale	05/08/2026	89115A3E0	(825,000.00)	TORONTO-DOMINION BANK 4.861 01/31/2028	100.853	4.86%	832,037.25	10,917.00	842,954.25	7,037.25
Sale	05/18/2026	3130AXU63	(1,000,000.00)	FEDERAL HOME LOAN BANKS 4.625 11/17/2026	100.391	4.53%	1,003,910.00	128.47	1,004,038.47	3,482.10
Sale	05/20/2026	91282CHX2	(1,000,000.00)	UNITED STATES TREASURY 4.375 08/31/2028	100.441	4.34%	1,004,414.06	9,629.76	1,014,043.82	3,661.35

TRANSACTION LEDGER



City of Pittsburgh | Account #10607|04/01/2026 Through 06/30/2026|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	06/08/2026	665859AW4	(600,000.00)	NORTHERN TRUST CORP 4.0 05/10/2027	99.895	4.08%	599,370.00	1,866.67	601,236.67	(215.88)
Total Sale			(4,590,000.00)				4,602,153.37	31,209.88	4,633,363.25	18,538.66
TOTAL DISPOSITIONS			(8,440,000.00)				8,452,153.37	31,209.88	8,483,363.25	18,538.66

TRANSACTION LEDGER



City of Pittsburgh Liquidity | Account #10617 | 04/01/2026 Through 06/30/2026 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Maturity	04/02/2026	912797SD0	(16,000,000.00)	UNITED STATES TREASURY 04/02/2026	100.000	3.65%	16,000,000.00	0.00	16,000,000.00	0.00
Total Maturity			(16,000,000.00)				16,000,000.00	0.00	16,000,000.00	0.00
TOTAL DISPOSITIONS			(16,000,000.00)				16,000,000.00	0.00	16,000,000.00	0.00

TRANSACTION LEDGER

City of Pittsburgh Managed/Reporting Cons | Account #10639 | 04/01/2026 Through 06/30/2026 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	04/07/2026	3137F8ZV8	1,000,000.00	FHMS K-123 A2 1.621 12/25/2030	89.309	4.18%	(893,085.94)	(270.17)	(893,356.11)	0.00
Purchase	04/09/2026	3137F9CT6	1,000,000.00	FHMS K-124 A2 1.658 12/25/2030	89.070	4.26%	(890,703.13)	(368.44)	(891,071.57)	0.00
Purchase	04/22/2026	05594YAD8	420,000.00	BMWLT 2026-1 A3 4.15 05/25/2029	99.989	4.85%	(419,953.59)	0.00	(419,953.59)	0.00
Purchase	04/22/2026	448972AD1	290,000.00	HALST 26B A3 4.21 04/16/2029	99.985	4.22%	(289,957.72)	0.00	(289,957.72)	0.00
Purchase	04/30/2026	91282CQK0	2,000,000.00	UNITED STATES TREASURY 3.875 04/30/2031	99.434	4.00%	(1,988,671.88)	0.00	(1,988,671.88)	0.00
Purchase	05/01/2026	90LAIF\$00	34,996,408.14	Local Agency Investment Fund State Pool	1.000	3.81%	(34,996,408.14)	0.00	(34,996,408.14)	0.00
Purchase	05/05/2026	91282CHR5	1,500,000.00	UNITED STATES TREASURY 4.0 07/31/2030	99.781	4.06%	(1,496,718.75)	(15,580.11)	(1,512,298.86)	0.00
Purchase	05/13/2026	43814YAD3	700,000.00	HAROT 2026-2 A3 4.3 11/15/2030	99.997	3.02%	(699,979.77)	0.00	(699,979.77)	0.00
Purchase	05/14/2026	36275AAD1	310,000.00	GMALT 2026-2 A3 4.3 03/20/2029	99.989	4.40%	(309,966.46)	0.00	(309,966.46)	0.00
Purchase	05/18/2026	89236TQB4	400,000.00	TOYOTA MOTOR CREDIT CORP 4.55 05/14/2031	99.168	4.74%	(396,672.00)	(202.22)	(396,874.22)	0.00
Purchase	05/18/2026	30303MAB8	1,000,000.00	META PLATFORMS INC 4.2 11/15/2030	98.036	4.69%	(980,360.00)	(350.00)	(980,710.00)	0.00
Purchase	05/20/2026	532457DL9	1,000,000.00	ELI LILLY AND CO 4.375 05/20/2031	98.904	4.62%	(989,040.00)	0.00	(989,040.00)	0.00
Purchase	05/22/2026	58933YCK9	385,000.00	MERCK & CO INC 4.65 05/22/2031	99.938	4.66%	(384,761.30)	0.00	(384,761.30)	0.00
Purchase	05/22/2026	58933YCK9	615,000.00	MERCK & CO INC 4.65 05/22/2031	99.727	4.71%	(613,321.05)	0.00	(613,321.05)	0.00
Purchase	05/31/2026	90PARS\$00	351,213.03	City of Pittsburgh	1.000	0.00%	(351,213.03)	0.00	(351,213.03)	0.00

TRANSACTION LEDGER

City of Pittsburg Managed/Reporting Cons | Account #10639 | 04/01/2026 Through 06/30/2026 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Purchase	05/31/2026	90LAIF\$00	15,218,934.78	Local Agency Investment Fund State Pool	1.000	3.81%	(15,218,934.78)	0.00	(15,218,934.78)	0.00
Purchase	06/03/2026	38151LAJ9	305,000.00	GOLDMAN SACHS BANK USA 4.656 06/03/2029	100.000	4.57%	(305,000.00)	0.00	(305,000.00)	0.00
Purchase	06/08/2026	57636QBL7	805,000.00	MASTERCARD INC 4.6 06/08/2031	99.920	4.62%	(804,356.00)	0.00	(804,356.00)	0.00
Purchase	06/18/2026	67066GAR5	485,000.00	NVIDIA CORP 4.5 06/15/2031	99.810	4.54%	(484,078.50)	0.00	(484,078.50)	0.00
Purchase	06/30/2026	90PARS\$00	582,935.99	City of Pittsburg	1.000	0.00%	(582,935.99)	0.00	(582,935.99)	0.00
Total Purchase			63,364,491.94				(63,096,118.03)	(16,770.94)	(63,112,888.97)	0.00
TOTAL ACQUISITIONS			63,364,491.94				(63,096,118.03)	(16,770.94)	(63,112,888.97)	0.00
DISPOSITIONS										
Maturity	04/02/2026	912797SD0	(16,000,000.00)	UNITED STATES TREASURY 04/02/2026	100.000	3.65%	16,000,000.00	0.00	16,000,000.00	0.00
Maturity	04/28/2026	3133EPHH1	(1,500,000.00)	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.0 04/28/2026	100.000	3.90%	1,500,000.00	0.00	1,500,000.00	0.00
Maturity	05/03/2026	00440EAV9	(750,000.00)	CHUBB INA HOLDINGS LLC 3.35 05/03/2026	100.000	5.19%	750,000.00	0.00	750,000.00	0.00
Maturity	05/11/2026	69371RR32	(600,000.00)	PACCAR FINANCIAL CORP 1.1 05/11/2026	100.000	4.54%	600,000.00	0.00	600,000.00	0.00
Maturity	05/15/2026	4581X0EK0	(750,000.00)	INTER-AMERICAN DEVELOPMENT BANK 4.5 05/15/2026	100.000	4.53%	750,000.00	0.00	750,000.00	0.00
Maturity	06/18/2026	89236TJK2	(250,000.00)	TOYOTA MOTOR CREDIT CORP 1.125 06/18/2026	100.000	4.55%	250,000.00	0.00	250,000.00	0.00
Total Maturity			(19,850,000.00)				19,850,000.00	0.00	19,850,000.00	0.00
Sale	04/06/2026	912828V98	(500,000.00)	UNITED STATES TREASURY 2.25 02/15/2027	98.738	4.06%	493,691.41	1,553.87	495,245.28	799.81

TRANSACTION LEDGER



City of Pittsburg Managed/Reporting Cons | Account #10639 | 04/01/2026 Through 06/30/2026 |

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	04/08/2026	78016HZT0	(665,000.00)	ROYAL BANK OF CANADA 4.875 01/19/2027	100.561	4.88%	668,730.65	7,114.11	675,844.76	3,774.03
Sale	05/01/2026	90PITT\$01	(34,996,408.14)	City of Pittsburg	1.000	0.00%	34,996,408.14	0.00	34,996,408.14	0.00
Sale	05/08/2026	89115A3E0	(825,000.00)	TORONTO-DOMINION BANK 4.861 01/31/2028	100.853	4.86%	832,037.25	10,917.00	842,954.25	7,037.25
Sale	05/18/2026	3130AXU63	(1,000,000.00)	FEDERAL HOME LOAN BANKS 4.625 11/17/2026	100.391	4.53%	1,003,910.00	128.47	1,004,038.47	3,482.10
Sale	05/20/2026	91282CHX2	(1,000,000.00)	UNITED STATES TREASURY 4.375 08/31/2028	100.441	4.34%	1,004,414.06	9,629.76	1,014,043.82	3,661.35
Sale	06/08/2026	665859AW4	(600,000.00)	NORTHERN TRUST CORP 4.0 05/10/2027	99.895	4.08%	599,370.00	1,866.67	601,236.67	(215.88)
Total Sale			(39,586,408.14)				39,598,561.51	31,209.88	39,629,771.39	18,538.66
TOTAL DISPOSITIONS			(59,436,408.14)				59,448,561.51	31,209.88	59,479,771.39	18,538.66

IMPORTANT DISCLOSURES



2026 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc (“IDS”), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client’s Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Source ICE Data Indices, LLC (“ICE”), used with permission. ICE permits use of the ICE indices and related data on an “as is” basis; ICE, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE data, its affiliates or their respective third party providers guarantee the quality, adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an “as is” basis and licensee’s use it at licensee’s own risk. ICE data, its affiliates and their respective third party do not sponsor, endorse, or recommend chandler asset management, or any of its products or services.

This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody’s, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities (“MBS”) reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest.

LGIP Yields: Reported yields for local government investment pools may be presented as either the 30-day yield or the monthly distribution yield, as applicable. For certain funds, the 30-day yield is calculated using reported daily yield data. Yield calculations are subject to change and may not be directly comparable across funds.

LAIF Yields: Additional Disclosure for CA Clients - As a result of a reporting lag from the Local Agency Investment Fund (LAIF), reported LAIF yields represent the most recently available Daily Effective Yield and may reflect data from approximately 7–10 days prior to month-end.

Benchmark	Disclosure
ICE BofA 1-5 Yr Unsubordinated US Treasury & Agency Index	The ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Mayor and Council Members

FROM: Darin E. Gale, City Manager
John Funderburg, Assistant Director of Community and Economic Development
Candace Hatch, Administrative Analyst I

SUBJECT: Adoption by Motion to Approve a Leave of Absence for Planning Commissioner Jennifer Ingram

EXECUTIVE SUMMARY

The City Council will be considering a leave of absence by a Planning Commissioner.

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Adoption by Motion approving a leave of absence for Planning Commissioner Jennifer Ingram from Wednesday, July 1, 2026, through Friday, October 16, 2026.

BACKGROUND

Advisory bodies play an important role in City government by assisting and advising the City Council, the body that sets policy. Advisory bodies develop recommendations and present supporting information to the City Council, based on the City Council's annually adopted goals, policies, and priorities for the following fiscal year.

The City Council approves the formation, composition, and responsibilities of all advisory bodies. Some advisory bodies, such as the Planning Commission, have responsibilities as delegated to it by the City Council under State law.

The Planning Commission's role is important because it make recommendations to the City Council for adoption of specific land uses, planning entitlements, and ordinances.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

STAFF ANALYSIS

The City Council appointed Jennifer Ingram to the Planning Commission on November 11, 2025. During her short tenure, she has worked diligently in her role and has been instrumental in fostering thoughtful discussion and helping advance the Commission's work with professionalism and respect.

The 2022 Handbook for City Advisory Bodies includes the following language regarding attendance for members of the City's advisory bodies (page 7):

"Any Member who is absent for three consecutive regular meetings, without approval by way of formal action of the City Council, shall be deemed to have resigned his/her position on the advisory body. Additionally, any member who misses four meetings a year of the regular meetings held (not canceled) in any twelve-month period, without approval of the City Council by way of formal action, shall be deemed to have resigned their position on the advisory body."

Commissioner Ingram has requested a leave of absence to extend through October 16, 2026, in order to fulfill some personal familial obligations.

ATTACHMENT: Leave Request

From: jenniferaingram <jenniferaingram@gmail.com>

Sent: Tuesday, August 4, 2026 7:53 AM

To: John Funderburg <JFunderburg@pittsburgca.gov>; Jennifer Ingram <jingram@pittsburgca.gov>; Jordan Davis <jdavis@pittsburgca.gov>

Subject: RE: PC Meeting 7/28

Caution: This email is from an external sender. Please exercise caution before opening any links or attachments.

Good morning,
Thank you so much, it's been an exciting time for our family. Please note the formal request for personal family leave July- Early October. As always, please let me know if anything more is needed from me.

Best,
Jen

Sent from my Galaxy



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Mayor and Council Members

FROM: Darin E. Gale, City Manager
Melaine Venenciano, Director of City Clerk Services

SUBJECT: Adoption by Motion Directing Review of the City's Conflict of Interest Code

EXECUTIVE SUMMARY

The Political Reform Act (Act) requires every local government agency to review its Conflict of Interest Code biennially to determine if it is accurate or if needs to be amended. A conflict of interest code tells public officials, governmental employees, and consultants what financial interests they must disclose on their Statement of Economic Interests (Form 700). Once the determination has been made, a notice must be submitted to the code reviewing body no later than October 1 of even-numbered years.

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Direct City staff to review the Conflict of Interest Code to determine if an amendment is necessary.

BACKGROUND

Under the Act, every state and local government agency must adopt a Conflict of Interest Code. These codes require officials who participate in decisions to disclose financial interests that might conflict with their public duties. In addition, agencies adopt codes identifying designated employees. These employees and consultants used by the agency must file a Form 700 and avoid decisions that may materially affect their financial interests.

The City Council is the code reviewing body for City agencies. The City Council must be notified of amendments to the Conflict of Interest Code or that no amendments are necessary.

SUBCOMMITTEE FINDINGS

This item was not reviewed by a subcommittee.

STAFF ANALYSIS

An amendment is necessary if an agency answers yes to any of the following questions:

1. Is the current code more than five years old?
2. Have there been any substantial changes to the agency's organizational structure since the last code was approved?
3. Have any positions been eliminated or re-named since the last code was approved?
4. Have any new positions been added since the last code was approved?
5. Have there been any substantial changes in duties or responsibilities for any positions since the last code was approved?

After reviewing the questions, City staff has indicated yes for questions 3 and 4. Therefore, an amendment is necessary and will be brought back to the City Council for approval before the October 1, 2026 deadline. An agency's amended code is not effective until it has been approved by the code reviewing body.

ATTACHMENTS: Local Agency Biennial Notice

2026 Local Agency Biennial Notice

Name of Agency: City of Pittsburg
Mailing Address: 65 Civic Avenue, Pittsburg, CA 94565
Contact Person: Melaine Venenciano Phone No. 925-252-4804
Email: mvenenciano@pittsburgca.gov Alternate Email: _____

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (*check one BOX*):

☒ **An amendment is required. The following amendments are necessary:**

(*Check all that apply.*)

- ☒ Include new positions
- ☐ Revise disclosure categories
- ☒ Revise the titles of existing positions
- ☐ Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- ☐ Other (*describe*) _____

☐ **The code is currently under review by the code reviewing body.**

☐ **No amendment is required.** (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.

Signature of Chief Executive Officer

Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2026**, or by the date specified by your agency, if earlier, to:

(PLACE RETURN ADDRESS OF CODE REVIEWING BODY HERE)

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Mayor and Council Members

FROM: Darin E. Gale, City Manager
John Samuelson, Public Works Director/City Engineer
Khristin Labao, Associate Engineer

SUBJECT: Adoption of a City Council Resolution Authorizing an Agreement with TJKM Transportation Consultants for the Design of Project 2037 – Harbor Street Safety Improvements

EXECUTIVE SUMMARY

Project 2037-Harbor Street Safety Improvements (Project) will improve Harbor Street by installing streetlights, improving traffic signal hardware and upgrading pedestrian crossings with enhanced safety features from Buchanan Road to East 3rd Street. This action authorizes the City Manager to execute a Consulting Services Agreement (Agreement) with TJKM Transportation Consultants for design of the Project.

FISCAL IMPACT

The proposed design fee is \$250,124. Funding will be provided through the currently approved Project budget. No additional funds are being requested.

RECOMMENDATION

City Council adopt the Resolution authorizing the City Manager to execute a Consulting Services Agreement with TJKM Transportation Consultants for the design of the Project and preparation of biddable construction documents in an amount not to exceed \$250,124.

BACKGROUND

On April 21, 2025, the City Council adopted Resolution No. 25-14622 accepting the Highway Safety Improvement Program (HSIP) Cycle 12 Grant in the amount of

\$2,246,922 and allocating \$365,778 as local matching funds from HUTA Gas Tax Fund (Fund 201) to the Project.

On April 16, 2026, the City advertised a Request for Proposals (RFP) for design services for the Project and received two proposals from consulting firms.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

STAFF ANALYSIS

City staff ranked and evaluated the two proposals from consulting firms. TJKM Transportation Consultants was ranked first based on the proposal submitted.

The Project will implement traffic calming measures to improve safety along the corridor. Improvements include, but are not limited to, installing additional street lighting, installing rectangular rapid flashing beacons, and constructing ADA curb ramps.

ATTACHMENTS: Resolution
Consulting Services Agreement
CIP Project Sheet

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter Of:

Authorizing an Agreement with)
TJKM Transportation Consultants)
For Design of Project 2037-)
Harbor Street Safety Improvements)

RESOLUTION NO. 26-

WHEREAS, Project 2037-Harbor Street Safety Improvements (Project) will improve Harbor Street by installing streetlights, improving traffic signal hardware and upgrading pedestrian crossings with enhanced safety features from Buchanan Road to East 3rd Street; and

WHEREAS, the City advertised a Request for Proposals (RFP) for professional design services; and

WHEREAS, on April 16, 2026, City staff received and evaluated two proposals from consulting firms.

WHEREAS, TJKM Transportation Consultants was ranked first based on their proposal submitted of \$250,124 for design of the Project; and

WHEREAS, On April 21, 2025, the City Council adopted Resolution No. 25-14622 accepting the Highway Safety Improvement Program (HSIP) Cycle 12 Grant in the amount of \$2,246,922 and allocating \$365,778 as local matching funds from HUTA Gas Tax Fund (Fund 201) to the Project.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Pittsburgh hereby authorizes the City Manager to execute the Consulting Services Agreement in an amount not to exceed \$250,124 with TJKM Transportation Consultants for design of Project 2037-Harbor Street Safety Improvements.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 17th day of August 2026 by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

Dionne Adams, Mayor

ATTEST:

Alice E. Evenson, City Clerk

**CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF PITTSBURG AND
TJKM**

**Relating to:
Project 2037 Harbor Street Safety Improvements**

THIS Agreement ("Agreement") for consulting services is made by and between the City of Pittsburg, a municipal corporation ("City") and TJKM, a California corporation ("Consultant") (together referred to as the "Parties") as of August 18, 2026 (the "Effective Date").

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A, and incorporated herein, at the time and place and in the manner specified therein.

- 1.1 Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on August 31, 2028, or the date the Consultant completes the services specified in Exhibit A, whichever occurs first, unless the term of the Agreement is otherwise terminated or extended, as referenced herein.
- 1.2 Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. There shall be no change in Consultant's project manager or members of the project team, as listed in the approved Cost Proposal, without prior written approval by the City's contract administrator. In the event that City, in its sole discretion, at any time during the Term of this Agreement, requests in writing the reassignment of any such persons to ensure Consultant performs services in accordance with the Standard of Performance, Consultant shall, immediately upon receiving City's request, reassign such persons. Consultant shall be fully responsible to City for the negligent acts and omissions of its employees, agents, or subconsultants, and of persons either directly or indirectly employed by them, in the same manner as persons directly employed by Consultant.
- 1.4 Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided herein above and to satisfy Consultant's obligations hereunder.

- 1.5 Federal Requirements.** This Agreement is funded, in whole or in part, with federal funds. Consultant must comply with the requirements set forth in Exhibit C, Federal Requirements, which is attached hereto and incorporated herein by reference.

Section 2. COMPENSATION. City hereby agrees to pay Consultant a sum not to exceed Two Hundred Fifty Thousand One Hundred Twenty-Four Dollars (\$250,124), as set forth in Exhibit B, attached hereto and incorporated herein for services to be performed and reimbursable expenses incurred under this Agreement. This dollar amount is not a guarantee that the City will pay that full amount to the Consultant but is merely a limit of potential City expenditures under this Agreement. (See also Section 2.2 of Exhibit C).

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

- 2.1 Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information, unless waived by the City Manager, or his or her designee:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder;
- The Consultant's signature.
- Invoices should be emailed to enginvoices@pittsburgca.gov.

- 2.2 Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall pay undisputed invoices that comply with the above requirements within 30 days from the receipt of the invoice.
- 2.3 Final Payment.** Consultant shall submit its final invoice within 60 days of completing its services. Consultant's failure to submit its final invoice within this 60 day period shall constitute Consultant's waiver of any further billings to, or payments from, City.
- 2.4 Reimbursable Expenses.** Reimbursable expenses, if any, are specified in Exhibit B and included in the total compensation referenced in Section 2. Expenses not listed in Exhibit B are not chargeable to, or reimbursable by, City.
- 2.5 Payment of Taxes.** Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.
- 2.6 Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of a written authorization from the City Manager, or his or her designee.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. (See also Section 2.8 of Exhibit C).

Section 4. INSURANCE REQUIREMENTS. Before beginning any services under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance specified herein and maintain that insurance throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid or proposal. Consultant shall be fully responsible for the acts and omissions of its subcontractors or other agents.

- 4.1 Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant in the amount required by applicable law. The requirement to maintain Statutory Workers' Compensation and Employer's Liability Insurance may be waived by the City upon written verification that Consultant is a sole proprietor and does not have any employees and will not have any employees during the term of this Agreement.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 General requirements. Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than \$2,000,000 per occurrence and \$4,000,000 aggregate, combined single limit coverage for risks associated with the work contemplated by this Agreement.

4.2.2 Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition) covering any auto (Code 1), or if Consultant has no owned autos, hired (code 8) and non-owned autos (Code 9). No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

- a. The Commercial General and Automobile Liability Insurance shall cover on an occurrence basis.
- b. City, its officers, officials, employees, agents, and volunteers shall be covered as additional insureds for liability arising out of work or operations on behalf of the Consultant, including materials, parts, or equipment furnished in connection with such work or operations; or automobiles owned, leased, hired, or borrowed by the Consultant. Coverage can be provided in the form of an endorsement to the Consultant's insurance at least as broad as CG 20 10 11 85, or both CG 20 10 10 01 and CG 20 37 10 01.
- c. For any claims related to this Agreement or the work hereunder, the Consultant's insurance covered shall be primary insurance as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and non-contributing.

- d. The policy shall cover inter-insured suits and include a “separation of Insureds” or “severability” clause which treats each insured separately.
- e. Consultant agrees to give at least 30 days prior written notice to City before coverage is canceled or modified as to scope or amount.

4.3 Professional Liability Insurance.

4.3.1 General requirements. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than \$1,000,000 per occurrence or claim covering the Consultant’s errors and omissions.

4.3.2 Claims-made limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must purchase an extended period coverage for a minimum of five (5) years after completion of work under this Agreement.
- d. A copy of the claim reporting requirements must be submitted to the City for review prior to the commencement of any work under this Agreement.

4.4 All Policies Requirements.

4.4.1 Submittal Requirements. Consultant shall submit the following to City prior to beginning services:

- a. Certificate of Liability Insurance in the amounts specified in this Agreement; and

- b. Additional Insured Endorsement as required for the General Commercial and Automobile Liability Policies.

4.4.2 Acceptability of Insurers. All insurance required by this Agreement is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.3 Deductibles and Self-Insured Retentions. Insurance obtained by the Consultant shall have a self-insured retention or deductible of no more than \$100,000.

4.4.4 Wasting Policies. No policy required herein shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).

4.4.5 Waiver of Subrogation. Consultant hereby agrees to waive subrogation which any insurer or contractor may require from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents, and subcontractors.

4.4.6 Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein, and Consultant shall ensure that City, its officers, officials, employees, agents, and volunteers are covered as additional insured on all coverages.

4.4.7 Excess Insurance. If Consultant maintains higher insurance limits than the minimums specified herein, City shall be entitled to coverage for the higher limits maintained by the Consultant.

4.5 Remedies. In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option: 1) obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement; 2) order Consultant to stop work under this Agreement and withhold any payment that becomes due to Consultant hereunder until Consultant

demonstrates compliance with the requirements hereof; and/or 3) terminate this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

5.1 General Indemnification. Consistent with California Civil Code Section 2782.8, Consultant shall, to the fullest extent permitted by law, indemnify, protect, defend and hold harmless City, and its employees, officials, and agents, from any and all demands, losses, claims, costs, liabilities, and expenses for any damage, injury, or death, including any and all administrative fines, penalties, or costs imposed as a result of an administrative proceeding, that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant, its officers, employees, agents, contractors, subconsultants, or any persons under its direction or control. If requested by City, Consultant shall defend any such suits at its sole cost and expense. If City elects to provide its own defense, Consultant shall reimburse City for any expenditures, including reasonable attorneys' fees and costs. Consultants' obligations under this section exist regardless of concurrent negligence or willful misconduct on the part of City or any other person; provided, however, that Consultant will not be required to indemnify, including the cost to defend, City for the proportion of liability a court determines does not arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant, its officers, employees, agents, contractors, subconsultants, or any persons under its direction or control. This Section **5.1** shall survive any expiration or termination of this Agreement.

5.2 PERS Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONSULTANT.

6.1 Independent Contractor. At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City.

6.2 Consultant Not an Agent. Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of

City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder. Consultant shall also, to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates as determined by the California Department of Industrial Relations.
- 7.3 Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have, and will maintain at their sole cost and expense, all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from City.
- 7.4 Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, genetic information, marital status, sex, sexual orientation, gender or gender identity, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** Upon ten days' prior written notice, City may cancel this Agreement at any time and without cause upon such written notification to Consultant. In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to

Consultant or prepared by or for Consultant or the City in connection with this Agreement.

- 8.2 Amendments.** The parties may amend this Agreement only by a writing signed by the parties hereto.
- 8.3 Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the City Manager, or his or her designee. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the City Manager, or his or her designee.
- 8.4 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant, including but not limited to the provisions of Section 5, shall survive the termination of this Agreement.
- 8.5 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:
- 8.5.1** Immediately terminate the Agreement;
 - 8.5.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.5.3** Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or
 - 8.5.4** Charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.
 - 8.5.5** The remedies mentioned in this Agreement are not exclusive of any other right, power or remedy permitted by law. The City's failure or delay in exercising any remedy shall not constitute a waiver of such remedy or preclude the further exercise of City's rights.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Consultant's Performance.** All final versions of reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement, and the City may use, reuse or otherwise dispose of the documents without Consultant's permission. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential drafts and will not be released to third parties by Consultant without prior written approval of City.
- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. All such records shall be maintained in accordance with generally accepted accounting principles and shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Pursuant to Government Code Section 8546.7, the Agreement may be subject to the examination and audit of the State Auditor for a period of 3 years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 Dispute Resolution.** The Parties will attempt to resolve any disputes arising from or pertaining to this Agreement by informal negotiations, conducted in face-to-face meetings of the principal representatives of the Parties if possible. If the Parties are unable to resolve a dispute in whole or in part through informal negotiations, the Parties will seek to resolve the matters remaining in dispute through mediation with a qualified, neutral mediator that is acceptable to each party, and at a mutually agreed-upon date, time, and location. Sufficiently in advance of the mediation to allow meaningful time for review, the Parties will provide each other and the mediator any documents or information that are reasonably necessary to resolve the matter to be mediated, subject to limitations applicable to confidential and privileged documents and

information. The Parties will share the cost of the mediation equally, but each party will bear its own costs to prepare for and participate in the mediation, including its own legal costs.

- 10.2 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.3 Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in Contra Costa County or in the United States District Court for the Northern District of California.
- 10.4 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.5 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.6 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.
- 10.7 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*
- 10.8 Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

- 10.9 Notices.** Any notice, demand, request, consent or approval that either party is required to give the other pursuant to this Agreement, shall be in writing and may be given by either (i) personal service, or (ii) certified United States mail, postage prepaid, return receipt requested, Notice shall be effective upon personal delivery or delivery to the addresses specified below, as reflected on the receipt of delivery or return receipt, as applicable.

Consultant: TJKM
4305 Hacienda Dr., Ste. 550
Pleasanton, CA 94588
ATTN: Nayan Amin, President

City: City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565
ATTN: City Manager

- 10.9 Professional Seal.** Where applicable in the determination of the City Manager, or his or her designee, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility."

- 10.10 Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibits A and B represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. To the extent there are any inconsistencies between this Agreement, the Exhibits, and Consultant's proposal, the Agreement shall control. To the extent there are any inconsistencies between the Exhibits and the Consultant's Proposal, the Exhibits shall control.

<u>Exhibit A</u>	Scope of Services
<u>Exhibit B</u>	Compensation Schedule
<u>Exhibit C</u>	Federal Requirements

- 10.11 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

- 10.12 Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the agreement and/or to consult

with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

10.13 No Third-Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any third parties.

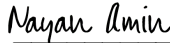
The Parties have executed this Agreement as of the Effective Date.

CITY OF PITTSBURG

CONSULTANT

Darin Gale, City Manager

Signed by:



Nayan Amin, President

Approved as to Form:

Signed by:



Donna Mooney, City Attorney

EXHIBIT A

SCOPE OF SERVICES

Consultant shall perform the following services:

TASK 1: PROJECT MANAGEMENT AND MEETINGS

Consultant shall provide proactive and comprehensive project management services to successfully guide the Harbor Street Safety Improvements Project from project initiation through final PS&E delivery and Caltrans authorization support.

Consultant shall conduct a detailed kickoff meeting with City staff to confirm project objectives, HSIP funding requirements, Caltrans LAPM requirements, project scope, design criteria, communication procedures, roles and responsibilities, and decision-making protocols.

Consultant shall maintain close coordination with the City Project Manager, Caltrans Local Assistance staff, utility providers, environmental subconsultants, and other key stakeholders throughout the duration of the project. Mr. Andrew Dickinson will serve as the Project Manager and primary point of contact and will be responsible for overseeing day-to-day project coordination, monitoring schedule and budget, tracking action items, managing technical submittals, and proactively addressing issues that could affect project progress or delivery milestones.

Consultant shall develop and maintain a live, shareable project management document for use during bi-weekly coordination meetings, consistent with our successful approach on previous City of Pittsburg projects. This centralized tracking tool will include project status updates, action items, milestone schedules, coordination responsibilities, utility tracking, environmental review status, Caltrans authorization activities, and critical path items. The document will remain accessible to key project participants throughout the project lifecycle to improve accountability, streamline coordination, and facilitate timely resolution of outstanding issues.

Consultant shall also prepare and maintain a detailed project schedule identifying all major project milestones, phased design submittals, agency reviews, utility coordination activities, environmental clearance milestones, and Caltrans authorization requirements. Consultant shall update the schedule regularly throughout project development to reflect current progress, identify potential schedule impacts early, and support proactive management of critical project activities. Consultant shall prepare monthly progress updates that will summarize completed work, upcoming tasks, project risks, coordination efforts, budget status, and schedule updates to ensure the city remains fully informed throughout the project.

Deliverables: Project Kick-Off Meeting agenda and material; Meeting Schedules; Detailed Project Schedule and periodic updates; Meeting Agendas and Minutes

TASK 2: COORDINATION AND FIELD INVESTIGATION

Consultant shall provide comprehensive coordination and field investigation services to support the successful design and delivery of the federally funded HSIP improvements along the Harbor Street corridor. Mr. Andrew Dickinson, serving as Project Manager, will oversee all coordination efforts, manage communication among project team members, City staff, utility providers, environmental subconsultants, and outside agencies, and ensure cohesive and efficient project delivery through regular coordination meetings, status updates, and proactive issue resolution.

Consultant shall perform detailed utility research and comprehensive site reviews to identify existing underground and overhead utilities, drainage facilities, traffic signal infrastructure, ADA deficiencies, roadway conditions, and other potential conflicts throughout the Harbor Street corridor. Existing utility records will be supplemented with field verification of surface utility features and existing traffic signal equipment, including poles, signal heads, cabinets, conduits, pull boxes, detection systems, and electrical service components. Consultant shall also evaluate existing pedestrian facilities, curb ramps, sidewalks, crossings, and proposed street lighting locations to assess accessibility compliance, utility conflicts, constructability, maintenance access, and compatibility with existing corridor infrastructure.

Following completion of the field investigation effort, Consultant shall prepare a comprehensive Field Conditions Assessment Memorandum summarizing existing conditions, utility conflicts, ADA deficiencies, constructability considerations, infrastructure compatibility issues, project risks, and recommended mitigation strategies.

Deliverables: *Utility Maps; Field Conditions Assessment Memo; Summary Sheets of utility and outside Agency coordination; Utility Request letters, mapping and matrix*

TASK 3: TOPOGRAPHIC SURVEY

Consultant shall provide a design-level topographic survey to support the development of accurate, coordinated, and constructible plans for the Harbor Street Safety Improvements Project. The survey effort will establish a reliable foundation for design by accurately documenting existing roadway geometry, utilities, drainage features, pedestrian facilities, traffic signal infrastructure, and site constraints throughout the project corridor. The topographic survey will support development of traffic signal improvements, ADA upgrades, pedestrian safety enhancements, street lighting improvements, signing and striping modifications, and associated roadway improvements.

Survey control will be based on the North American Vertical Datum of 1988 (NAVD 88) and the California Coordinate System of 1983 (CCS83) to maintain consistency with City of Pittsburg and Caltrans standards. Horizontal and vertical control points will be established outside anticipated construction areas to preserve long-term usability and support future project phases, field verification, and construction activities.

The field survey will include detailed topographic observations sufficient to generate accurate base mapping and one-foot contour intervals throughout the project limits. Existing roadway grades, curb and gutter, sidewalks, driveways, ADA curb ramps, medians, drainage patterns, grade breaks, and pavement transitions will be documented to support design development and ADA evaluations. Existing pavement types, structures, retaining walls, fences, landscaping, trees, traffic signal equipment, signage, striping, and other visible surface features within the corridor will also be located and incorporated into the base mapping.

Consultant shall perform comprehensive utility mapping and field verification to identify existing above-ground and underground utility infrastructure throughout the corridor. Existing utility markings, valve boxes, manholes, pull boxes, vaults, drainage structures, utility pedestals, and related appurtenances will be documented to support utility coordination and early identification of potential conflicts. Traffic signal conduits, controller cabinets, electrical service equipment, communication infrastructure, and street lighting facilities will also be field verified and incorporated into the survey base mapping where visible and accessible.

Consultant shall maintain ongoing coordination with utility providers and City staff throughout the survey and design process to identify potential utility conflicts, support utility adjustment planning if necessary, and minimize delays during design and construction.

The completed topographic survey and associated base mapping will provide the foundation for phased PS&E development and support coordinated design among all project disciplines, including traffic engineering, electrical design, ADA improvements, roadway improvements, street lighting, utility coordination, and environmental documentation.

Deliverables: Topographic Survey Base Files

TASK 4: PRELIMINARY ENGINEERING

Subtask 4.1 35% Plans and Estimate

Using information collected through the topographic survey, utility research, field investigations, and review of existing as-built plans and record drawings, Consultant shall prepare preliminary engineering documents and concept-level improvements for the Harbor Street Safety Improvements Project. This phase of work will establish the technical foundation for final design and allow the City to evaluate proposed improvements, confirm project priorities, and maintain consistency with HSIP funding objectives and budget constraints.

Consultant shall develop scaled 35% preliminary design plans using AutoCAD for traffic signal improvements, ADA curb ramp upgrades, RRFB installations, pedestrian crossing enhancements, signing and striping modifications, roadway safety improvements, and

street lighting improvements throughout the corridor. The preliminary plans will clearly identify proposed improvements, existing infrastructure, utility conflicts, and potential constructability constraints identified during the early design process. The plans will also establish the overall project design framework and provide sufficient detail to support City review, utility coordination, environmental review, and Caltrans Local Assistance coordination.

Existing underground and overhead utilities will be incorporated into the preliminary plans to support early conflict identification and utility coordination efforts. Consultant shall identify any potential utility adjustments, service conflicts, or infrastructure compatibility concerns that could affect project cost, schedule, or constructability. Although right-of-way acquisition is not currently anticipated, Consultant shall proactively evaluate potential right-of-way constraints, access impacts, and construction limitations early in the design process and document any areas requiring additional coordination or review as part of the Caltrans Local Assistance process.

As part of the proposed street lighting improvements, Consultant shall perform preliminary photometric analyses to evaluate lighting performance and verify compliance with applicable City standards, Caltrans requirements, and industry lighting guidelines. The photometric evaluation will help optimize lighting placement, improve roadway and pedestrian visibility, enhance nighttime safety conditions, and support development of practical and cost-effective lighting solutions for the corridor.

Consultant shall also prepare a detailed 35% construction cost estimate and cost-effectiveness analysis to confirm consistency with the available HSIP funding budget and support informed decision-making by the City. The cost evaluation will assess proposed safety improvements, identify potential cost drivers, and evaluate alternatives where appropriate to maintain alignment with project funding limitations. As part of this effort, Consultant shall evaluate signal backplate replacement alternatives, including retroreflective border tape, universal retrofit backplates, and manufacturer-installed retroreflective backplates based on existing signal equipment compatibility, constructability, maintenance considerations, and overall cost effectiveness.

Throughout the preliminary engineering phase, Consultant shall maintain close coordination with City staff, utility providers, environmental subconsultants, and Caltrans Local Assistance staff to support efficient project progression and minimize the potential for redesign during later project phases. The 35% submittal will provide the city with a clear understanding of the proposed improvements, project constraints, utility coordination needs, anticipated costs, and implementation considerations prior to advancement into final PS&E development.

Deliverables: Concept (35%) Design Plans; Preliminary Construction Cost Estimate; Cost Effectiveness Analysis; Excel File Identifying Potential Right-of-Way or Utility Coordination Items for Caltrans Documentation

TASK 5: ENVIRONMENTAL ENGINEERING

Consultant shall, itself or through a subcontractor, prepare all required environmental documentation in accordance with CEQA, NEPA, Caltrans LAPM requirements, and applicable federal and state environmental regulations.

Consultant shall coordinate closely with City staff and Caltrans Local Assistance throughout the environmental review process to facilitate timely approvals and maintain project schedule milestones.

Subtask 5.1 National Environmental Policy Act Environmental Review

Because the project utilizes federal funding, compliance with NEPA through Caltrans Local Assistance will be required. Consultant shall, itself or through a subcontractor, prepare the Preliminary Environmental Study (PES) Form and supporting documentation for Caltrans review and determination of required environmental studies. Based on the project scope and Contractor's experience with similar federally funded transportation projects, anticipated environmental documentation may include:

- Area of Potential Effects (APE) Mapping
- Archaeological Survey Report (ASR)
- Historic Property Survey Report (HPSR)
- Tribal Consultation Coordination
- Initial Site Assessment (ISA) Checklist
- Summary Floodplain Encroachment Report (SFER)

Consultant shall, itself or through a subcontractor, prepare the required cultural resources documentation, environmental screening documents, and coordination materials necessary to support Caltrans review and approval. Consultant shall provide supporting engineering information required for completion of environmental documentation and will coordinate closely with the environmental team throughout project development.

Consultant anticipates the project will qualify for a NEPA Categorical Exclusion (CE), and our team will assist the City and Caltrans with preparation of required documentation and standard mitigation commitments to support timely environmental clearance.

Subtask 5.2 CEQA Environmental Review

Consultant shall, itself or through a subcontractor, prepare CEQA documentation for the City of Pittsburg as the CEQA Lead Agency. Based on the proposed scope of improvements and the project's location within existing public right-of-way, TJKM anticipates the project will qualify for a CEQA Categorical Exemption under Class I – Existing Facilities. Consultant shall, itself or through a subcontractor, prepare the

exemption documentation, coordinate with the City regarding review comments, and assist with filing requirements following project approval.

This scope assumes the project consists of minor improvements within existing disturbed public right-of-way along an urbanized corridor and that no significant impacts to cultural, biological, or hazardous material resources will occur. The project is anticipated to qualify for a CE/CE under both CEQA and NEPA, with environmental documentation supported by standard Caltrans construction-related mitigation measures for noise, air quality, and water quality. Additional hydraulic studies beyond the SFER form and additional hazardous materials investigations beyond an ISA Checklist are not anticipated due to the limited extent of soil disturbance associated with proposed pole foundations.

Consultant shall, itself or through a subcontractor, coordinate with the project team and City of Pittsburg throughout the environmental process and assumes attendance at up to two coordination meetings. The scope also assumes that community meetings or public hearing attendance will not be required.

Deliverables: Obtain Categorical Exemption/Categorical Exclusion Determination Form (LAPM Exhibit 6-F) for NEPA compliance and CEQA compliance

TASK 6: DESIGN PS&E

Subtask 6.1 65% PS&E Submittal

Consultant shall prepare a comprehensive 65% PS&E package in accordance with City of Pittsburg standards, Caltrans standards, CA MUTCD requirements, ADA requirements, and federal-aid procedures. The 65% submittal will establish the primary design framework for the project and provide the City with sufficient detail to review constructability, utility coordination, operational impacts, and budget consistency early in the design process.

The 65% design package will include traffic signal improvements, ADA curb ramp upgrades, RRFB installations, pedestrian crossing enhancements, signing and striping, roadway improvements, and street lighting plans with updated photometric analyses. Plans will identify existing conditions, utility conflicts, removals, and proposed improvements necessary to support implementation of the corridor safety improvements.

Consultant shall continue utility coordination efforts and refine the construction cost estimate and cost-effectiveness analysis to confirm consistency with the available HSIP funding budget. Specifications, federal-aid contract language, bid schedules, special provisions, and applicable Caltrans and FHWA forms will also be incorporated into the submittal package.

A detailed response-to-comments matrix documenting resolution of all 35% review comments will be provided. Consultant also recommends a joint field

review with City staff following the 65% submittal to confirm constructability assumptions and proactively address potential construction concerns.

Subtask 6.2 95% PS&E Submittal

Following City review of the 65% submittal, Consultant shall advance the project to a near-final, construction-ready 95% PS&E package. The 95% package will include finalized traffic signal, electrical, civil, ADA, signing and striping, pedestrian improvement, and street lighting plans, along with updated specifications and construction cost estimates.

Consultant shall conduct a comment review meeting with City staff to discuss review comments, confirm outstanding design decisions, and verify the project remains within budget and aligned with HSIP objectives. Utility coordination, equipment selections, and constructability considerations will also be refined during this phase.

An updated response-to-comments matrix will be prepared documenting resolution of all City comments received during the 65% review. Consultant shall continue coordination with Caltrans Local Assistance staff, utility providers, and environmental subconsultants to support timely project authorization and delivery.

Subtask 6.3 100% PS&E Submittal

Consultant shall prepare complete, bid-ready final PS&E documents incorporating all final City, utility, environmental, and Caltrans review comments. Prior to submittal, the final plans, specifications, estimates, and supporting documentation will undergo comprehensive internal quality control review to verify constructability, coordination, accuracy, and compliance with applicable City, Caltrans, ADA, CA MUTCD, and federal-aid requirements.

The final PS&E package will include signed and stamped engineering documents prepared by the Engineer of Record and submitted in all required electronic and hard copy formats necessary to support bidding and construction.

Deliverables: *Three sets of plan submittals, including specifications and cost estimates, at 65%, 95%, and 100% completion milestones; Comment Response Matrix at each submittal; PDF and AutoCAD files of final plans*

TASK 7: CALTRANS SUPPORT AND DOCUMENTATION

Consultant shall provide comprehensive support for Caltrans Local Assistance coordination and E-76 authorization throughout the PE, R/W, and CON phases. Consultant shall provide complete, accurate, and timely documentation to maintain project eligibility, minimize authorization delays, and support successful delivery of the Harbor Street Safety Improvements Project.

Preliminary Engineering Phase

The City has indicated that Authorization to Proceed for the Preliminary Engineering phase has already been obtained. During this phase, Consultant shall support the City with preparation and coordination of all required environmental and Caltrans Local Assistance documentation necessary to maintain project eligibility and advance the project toward final design authorization.

Consultant, itself or through a subcontractor, shall coordinate preparation of all required environmental documentation, including the PES, NEPA Categorical Exclusion documentation, CEQA Notice of Exemption, mitigation commitments, and supporting environmental forms required by Caltrans Local Assistance.

Consultant shall also assist the City with preparation of Field Review Forms, supporting exhibits, and all required E-76 documentation associated with the PE phase.

Right-of-Way Phase

At this time, Consultant does not anticipate any right-of-way acquisition or permanent easements will be required, as the proposed improvements are expected to remain within existing public right-of-way. However, utility coordination and utility adjustment documentation will still be required to support the Right-of-Way certification process. Consultant shall prepare utility coordination exhibits, utility matrices, and supporting documentation identifying facilities requiring relocation, adjustment, protection, or coordination associated with ADA improvements, street lighting installations, cabinet upgrades, and signal modifications.

Consultant shall coordinate with utility providers, identify utility ownership, and assist the City with preparation of utility notices, coordination letters, E-76 forms, and supporting Caltrans documentation necessary for Right-of-Way certification and authorization.

Construction Phase

During the Construction Authorization phase, Consultant shall prepare and assemble all documentation required to support Caltrans Local Assistance authorization for advertisement and construction, including LAPM Chapter 12 forms, PS&E certification checklists, federal-aid contract documents, environmental compliance documentation, and supporting authorization exhibits required for federal-aid compliance.

Consultant shall coordinate closely with City staff and Caltrans Local Assistance throughout the authorization process to ensure all documentation is complete, coordinated, and submitted in accordance with current LAPM requirements and federal-aid procedures.

Deliverables: *LAPM Forms and Exhibits and all support documentation/coordination*

EXHIBIT B**COMPENSATION SCHEDULE**

Consultant shall be paid a sum not to exceed Two Hundred Fifty Thousand One Hundred Twenty-Four Dollars (\$250,124).

City of Pittsburgh

Professional Design Services of Harbor Street Safety Improvements

Prepared by TJKM Transportation Consultants

Task No.	Task	TJKM									Calvada Total Cost by Task	DJPA Total Cost by Task	Total Cost
		Nayan Amin	Ruta Jariwala	Andrew Dickinson	Rutvij Patel	Manuel Montero	Talha Majeed	Sanjith John	TJKM Hours by Task	TJKM Cost by Task			
		PIC	QA/QC	Project Manager	Task Leads		Transportation Engineers						
Billing Rate	\$300.53	\$300.53	\$192.92	\$252.92	\$167.96	\$118.65	\$107.08						
1	Project Management and Meetings	8	8	24	16	16			72	\$ 16,173			\$ 16,173
2	Coordination and Field Investigation	2		24		40	24	16	106	\$ 16,511			\$ 16,511
3	Topographic Survey			4			40		44	\$ 5,518	\$ 51,400		\$ 56,918
4	Preliminary Engineering	4	2	16	24	24	100	80	250	\$ 35,422			\$ 35,422
4.1	35% Plans and Estimate	4	2	16	24	24	100	80	250	\$ 35,422			\$ 35,422
5	Environmental Engineering		2	16					18	\$ 3,688		\$ 39,986	\$ 43,674
5.1	National Environmental Policy Act Environmental Review		1	8					9	\$ 1,844			\$ 1,844
5.2	California Environmental Quality Act Environmental Review		1	8					9	\$ 1,844			\$ 1,844
6	Design PS&E	6	6	40	56	56	180	120	464	\$ 69,099			\$ 69,099
6.1	65% PS&E Submittal	2	2	16	24	24	80	40	188	\$ 28,165			\$ 28,165
6.2	95% PS&E Submittal	2	2	8	16	16	60	40	144	\$ 20,882			\$ 20,882
6.3	100% PS&E Submittal	2	2	16	16	16	40	40	132	\$ 20,052			\$ 20,052
7	Caltrans Support and Documentation	2	2	8	16	16	24		68	\$ 12,327			\$ 12,327
Total		22	20	132	112	152	368	216	1022	\$ 158,738	\$ 51,400	\$ 39,986	\$ 250,124

TJKM ODC for Task 2 is Topographic Survey Vendor

TJKM ODC for Task 5 is Potholing Vendor

Consulting Services Agreement between
the City of Pittsburgh and TJKM

August 18, 2026
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CERTIFICATE OF COMPLIANCE WITH LABOR CODE § 3700

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

TJKM

Signed by:
By: Nayan Amin
A1CE1AED0B40442...
Title: President

EXHIBIT C

FEDERAL REQUIREMENTS

1. **Uniform Federal Contract Provisions.** The Agreement will be funded in whole or in part with federal funds and subject to the following federal requirements under the terms of the funding agreement(s) between City and the federal agency or agencies providing federal funds. Copies of any funding agreement between City and a funding agency will be made available upon request.
- 1.1 **Equal Opportunity.** During the performance of this Agreement, the Consultant agrees as follows:
 - (A) The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action will include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
 - (B) The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
 - (C) The Consultant will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision will not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Consultant's legal duty to furnish information.
 - (D) The Consultant will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the labor union or workers'

representatives of the Consultant's commitments under this section, and will post copies of the notice in conspicuous places available to employees and applicants for employment.

- (E) The Consultant will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the United States Secretary of Labor.
- (F) The Consultant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the United States Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the United States Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (G) In the event of the Consultant's noncompliance with the nondiscrimination clauses of this Agreement or with any of the rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the Consultant may be declared ineligible for further federal government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the United States Secretary of Labor, or as otherwise provided by law.
- (H) The Consultant will include the portion of the sentence immediately preceding paragraph (A) and the provisions of paragraphs (A) through (H) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the United States Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Consultant will take such action with respect to any subcontract or purchase order as the City or funding agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: *Provided*, however, that in the event a Consultant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the City or funding agency, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.

1.2 Contract Work Hours and Safety Standards Act. If the Agreement exceeds \$100,000 and involves the employment of mechanics or laborers, then Consultant and each subconsultant must comply with the requirements of the federal Contract Work Hours and Safety Standards Act, as set forth in 40 U.S.C. 3701-3708, as supplemented by the regulations set forth in 29 CFR Part 5, as may be amended from time to time, which are fully incorporated herein, including:

- (A) No Consultant or subconsultant will require or permit any laborer or mechanic to work in excess of 40 hours in a work week unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours during that work week.
- (B) If Consultant or a subcontractor violates this requirement, the Consultant and any responsible subcontractor will be liable for the unpaid wages. In addition, the Consultant and subcontractor will be liable to the United States for liquidated damages. The liquidated damages will be computed with respect to each individual worker as specified under federal law.
- (C) Consultant and subconsultant must insert this requirement into subcontracts of any tier. Consultant is responsible for compliance with these requirements by each subcontractor of any tier.

1.3 Rights to Inventions. If the federal funding for this Agreement meets the definition of “funding agreement” under 37 CFR § 401.2(a) and constitutes an agreement between the City and a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency, will apply to this Agreement and are fully incorporated into the Agreement by this reference.

1.4 Clean Air Act. If the Agreement is for an amount in excess of \$150,000, Consultant and each subconsultant must comply with the requirements of the Clean Air Act, as amended (42 U.S.C. §§ 7401-7671q), and all applicable standards, orders, and regulations issued pursuant thereto, which are fully incorporated into the Agreement by this reference, including requirements for reporting violations to the City, federal awarding agency, and the applicable Regional Office for the Environmental Protection Agency. Consultant and subconsultant must insert this requirement into subcontracts of any tier in excess of \$150,000.

1.5 Federal Water Pollution Control Act. If the Agreement is for an amount in excess of \$150,000, Consultant and each subconsultant must comply with the requirements of the Federal Water Pollution Control Act (33 U.S.C. §§ 1251-1387) and all applicable standards, orders, and regulations issued pursuant thereto, which are fully incorporated into the Agreement by this reference, including requirements for reporting violations to the City, federal awarding agency, and the applicable Regional Office for the Environmental Protection Agency. Consultant and subconsultants must insert this requirement into

subcontracts of any tier in excess of \$150,000.

1.6 Suspension and Debarment. This Agreement is a covered transaction for purposes of 2 CFR Part 180 and 2 CFR Part 3000. Consultant is required to verify that none of its principals, as defined at 2 CFR § 180.995, or its affiliates, as defined at 2 CFR § 180.905, are excluded or disqualified, as defined at 2 CFR §§ 180.935 and 180.940. Consultant must comply with 2 CFR Part 180, subpart C and 2 CFR Part 3000, subpart C, and must include a provision requiring compliance with these regulations in any subcontract of any tier. If it is later determined that the Consultant did not comply with the applicable subparts, in addition to remedies available to City, the Federal Government may pursue available remedies, including, but not limited to, suspension and/or debarment. By submitting a proposal and entering into this Agreement, Consultant agrees to comply with these requirements. (See also Section 2.14, below.)

1.7 Procurement of Recovered Materials. The requirements of § 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 at 42 U.S.C. § 6962, apply to this Agreement and are fully incorporated into the Agreement by this reference. For individual purchases of \$10,000 or more, Consultant will make maximum use of products containing recovered materials that are EPA- designated items unless the product cannot be acquired (A) competitively within a reasonable time frame, (B) meeting reasonable performance standards, or (C) at a reasonable price. Information on this requirement, including a list of EPA-designated items, is available at the EPA's Comprehensive Procurement Guidelines website:
<https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

- 1.8 Prohibition on Covered Telecommunications.** Federal loan or grant funds must not be obligated or expended to procure or obtain covered telecommunications equipment or services, extend or renew a contract to procure or obtain covered telecommunications equipment or services, or enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services, as further specified in 2 CFR § 200.216, which is fully incorporated into the Agreement by this reference. “Covered telecommunications equipment or services” means any of the following: telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities); video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities); telecommunications or video surveillance services provided by such entities or using such equipment; or telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country. The term “covered telecommunications equipment or services” also includes systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Consultant will include this provision in all subcontracts or purchase orders in connection with the services.
- 1.9 Domestic Preferences for Procurements.** The City should, to the greatest extent practicable and consistent with applicable law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States, as further specified in 2 CFR § 200.322, which is fully incorporated into the Agreement by this reference, including, but not limited to, iron, aluminum, steel, cement, and other manufactured products, as specified therein. The requirements of 2 CFR §200.322 must be included in all subcontracts and purchase orders for work or products under the federal award.
- 2. Caltrans Funding Requirements.** This Agreement is for architectural and/or engineering services funded in whole or in part by Caltrans and/or the Federal Highway Administration (“FHWA”) and is subject to the following provisions. Any reference to an “Exhibit” in this Section 2 refers the specified Exhibit under Caltrans’ Local Assistance Procedures Manual (“LAPM”), available at <https://dot.ca.gov/programs/local-assistance/guidelines-and->

procedures/local-assistance-procedures-manual-lapm.

2.1 Consultant's Reports or Meetings (Exhibit 10-R, Article II).

- A. Consultant shall submit progress reports at least once a month. The report should be sufficiently detailed for the City's contract administrator to determine if Consultant is performing to expectations or is on schedule, to provide communication of interim findings, and to sufficiently address any difficulties or special problems encountered, so remedies can be developed.
- B. Consultant's project manager shall meet with City's contract administrator, as needed, to discuss progress on the Agreement.

2.2 Allowable Costs and Payments (Exhibit 10-R, Article V).

- A. The method of payment for this Agreement will be based on actual cost plus a fixed fee. City will reimburse Consultant for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs) incurred by Consultant in performance of the work. Consultant will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in Consultant's approved Cost Proposal, unless additional reimbursement is provided for by amendment to the Agreement. In no event will Consultant be reimbursed for overhead costs at a rate that exceeds the City's approved overhead rate set forth in the Cost Proposal. In the event that City determines that a change to the work from that specified in the Cost Proposal and Agreement is required, the Agreement time or actual costs reimbursable by City shall be adjusted by amendment to the Agreement to accommodate the changed work. The maximum total cost as specified in Section 2 of the Agreement shall not be exceeded, unless authorized by amendment to the Agreement.
- B. The indirect cost rate established for this Agreement is extended through the duration of this specific Agreement. Consultant's agreement to the extension of the 1- year applicable period shall not be a condition or qualification to be considered for the work or award of the Agreement.
- C. In addition to the allowable incurred costs, City will pay Consultant a fixed fee, as specified in the final approved Cost Proposal. The fixed fee is nonadjustable for the Term of the Agreement, except in the event of a significant change in the Scope of Services and such adjustment is made by amendment to the Agreement.
- D. Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the approved Cost Proposal.

- E. When milestone cost estimates are included in the approved Cost Proposal, Consultant shall obtain prior written approval for a revised milestone cost estimate from the contract administrator before exceeding such cost estimate.
- F. Progress payments will be made monthly in arrears based on services provided and allowable incurred costs. A pro rata portion of Consultant's fixed fee will be included in the monthly progress payments. If Consultant fails to submit the required deliverable items according to the City-approved schedule, City shall have the right to delay payment or terminate this Agreement.
- G. No payment will be made prior to approval of any work, nor for any work performed prior to approval of this Agreement.
- H. Consultant will be reimbursed promptly according to California law and regulations upon receipt by City's contract administrator of itemized invoices in duplicate. Invoices shall be submitted no later than 30 calendar days after the performance of work for which Consultant is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the Agreement and approved Cost Proposal and shall reference this Agreement number and project title. Final invoice must contain the final cost and all credits due City including any equipment purchased under the provisions of Section 2.8 (Article XI), Equipment Purchase and Other Capital Expenditures. The final invoice should be submitted within 60 calendar days after completion of Consultant's work. Invoices shall be mailed to City at the following address:

City of Pittsburg
Engineering Division
Attn: Khristin Labao
65 Civic Avenue
Pittsburg, CA 94565

- I. The total amount payable by City including the fixed fee shall not exceed the amount set forth in Section 2 of the Agreement.
- J. For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases, which are the direct result of changes in the prevailing wage rates are reimbursable.

2.3 Termination (Exhibit 10-R, Article VI).

- A. See Section 8.1 of Agreement on Termination.

- B. City may temporarily suspend this Agreement, at no additional cost to City, provided that Consultant is given written notice (delivered by certified mail, return receipt requested) of temporary suspension. If City gives such notice of temporary suspension, Consultant shall immediately suspend its activities under this Agreement. A temporary suspension may be issued concurrent with the notice of termination.
- C. Notwithstanding any provisions of this Agreement, Consultant shall not be relieved of liability to City for damages sustained by City by virtue of any breach of this Agreement by Consultant, and City may withhold any payments due to Consultant until such time as the exact amount of damages, if any, due City from Consultant is determined.
- D. In the event of termination, Consultant shall be compensated as provided for in the Agreement. Upon termination, City shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not.

2.4 Cost Principles and Administrative Requirements (Exhibit 10-R, Article VII).

- A. Consultant agrees that 48 CFR Part 31, Contract Cost Principles and Procedures, shall be used to determine the allowability of individual terms of cost.
- B. Consultant also agrees to comply with federal procedures in accordance with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- C. Any costs for which payment has been made to Consultant that are determined by subsequent audit to be unallowable under 48 CFR Part 31 or 2 CFR Part 200 are subject to repayment by Consultant to City.
- D. When a Consultant or subconsultant is a Non-Profit Organization or an Institution of Higher Education, the Cost Principles for Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards shall apply.

2.5 Retention of Records/Audits (Exhibit 10-R, Article VIII).

For the purpose of determining compliance with Government Code § 8546.7, Consultant, subconsultants, and City shall maintain all books, documents, papers, accounting records, Independent CPA Audited Indirect Cost Rate workpapers, and other evidence pertaining to the performance of the Agreement, including, but not limited to, the costs of administering the Agreement. All parties,

including Consultant's Independent CPA, shall make such workpapers and materials available at their respective offices at all reasonable times during the Term of the Agreement and for four years from the date of final payment under the Agreement and records for real property and equipment acquired with federal funds must be retained for four years after final disposition. City, Caltrans Auditor, FHWA, or any duly authorized representative of the Federal Government having jurisdiction under Federal laws or regulations (including the basis of Federal funding in whole or in part) shall have access to any books, records, and documents of Consultant, subconsultants, and Consultant's Independent CPA, that are pertinent to the Agreement for audits, examinations, workpaper review, excerpts, and transactions, and copies thereof shall be furnished if requested without limitation.

2.6 Audit Review Procedures (Exhibit 10-R, Article IX).

- A. Any dispute concerning a question of fact arising under an interim or post audit of this Agreement that is not disposed of by agreement, shall be reviewed by City's Chief Financial Officer.
- B. Not later than 30 calendar days after issuance of the final audit report, Consultant may request a review by City's Chief Financial Officer of unresolved audit issues. The request for review will be submitted in writing.
- C. Neither the pendency of a dispute nor its consideration by City will excuse Consultant from full and timely performance, in accordance with the terms of this Agreement.
- D. Consultant and subconsultant contracts, including cost proposals and Indirect Cost Rates (ICR), may be subject to audits or reviews such as, but not limited to, a contract audit, an incurred cost audit, an ICR Audit, or a CPA ICR audit work paper review. If selected for audit or review, the Agreement, Cost Proposal and ICR and related work papers, if applicable, will be reviewed to verify compliance with 48 CFR Part 31 and other related laws and regulations. In the instances of a CPA ICR audit work paper review, it is Consultant's responsibility to ensure federal, state, or local government officials are allowed full access to the CPA's work papers including making copies as necessary. The Agreement, Cost Proposal, and ICR shall be adjusted by Consultant and approved by City's contract administrator to conform to the audit or review recommendations. Consultant agrees that individual terms of costs identified in the audit report shall be incorporated into the Agreement by this reference if directed by City at its sole discretion. Refusal by Consultant to incorporate audit or review recommendations, or to ensure that the federal, state or local governments officials have access to CPA work papers, will be considered a breach of the Agreement and cause for termination of the Agreement and disallowance of prior reimbursed costs.

E. Consultant's Cost Proposal may be subject to a CPA ICR Audit Work Paper Review and/or audit by the Independent Office of Audits and Investigations (IOAI). IOAI, at its sole discretion, may review and/or audit and approve the CPA ICR documentation. The Cost Proposal shall be adjusted by the Consultant and approved by City's contract administrator to conform to the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report. Refusal by the Consultant to incorporate the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report will be considered a breach of the Agreement and cause for termination of the Agreement and disallowance of prior reimbursed costs.

1. During IOAI's review of the ICR audit work papers created by the Consultant's independent CPA, IOAI will work with the CPA and/or Consultant toward a resolution of issues that arise during the review. Each party agrees to use its best efforts to resolve any audit disputes in a timely manner. If IOAI identifies significant issues during the review and is unable to issue a cognizant approval letter, City will reimburse the Consultant at an accepted ICR until a FAR (Federal Acquisition Regulation) compliant ICR (e.g. 48 CFR Part 31; GAGAS (Generally Accepted Auditing Standards); CAS (Cost Accounting Standards), if applicable; in accordance with procedures and guidelines of the American Association of State Highways and Transportation Officials (AASHTO) Audit Guide; and other applicable procedures and guidelines) is received and approved by IOAI.

Accepted rates will be as follows:

- a. If the proposed rate is less than 150% - the accepted rate reimbursed will be 90% of the proposed rate.
 - b. If the proposed rate is between 150% and 200% - the accepted rate will be 85% of the proposed rate.
 - c. If the proposed rate is greater than 200% - the accepted rate will be 75% of the proposed rate.
2. If IOAI is unable to issue a cognizant letter per paragraph E.1. above, IOAI may require Consultant to submit a revised independent CPA-audited ICR and audit report within three months of the effective date of the management letter. IOAI will then have up to six months to review the Consultant's and/or the independent CPA's revisions.

3. If the Consultant fails to comply with the provisions of this paragraph E, or if IOAI is still unable to issue a cognizant approval letter after the revised independent CPA-audited ICR is submitted, overhead cost reimbursement will be limited to the accepted ICR that was established upon initial rejection of the ICR and set forth in paragraph E.1. above for all rendered services. In this event, this accepted ICR will become the actual and final ICR for reimbursement purposes under this Agreement.
4. Consultant may submit to City final invoice only when all of the following items have occurred: (1) IOAI accepts or adjusts the original or revised independent CPA-audited ICR; (2) all work under this Agreement has been completed to the satisfaction of City; and (3) IOAI has issued its final ICR review letter. Consultant must submit its final invoice to City no later than 60 calendar days after occurrence of the last of these items. The accepted ICR will apply to this Agreement and all other agreements executed between City and Consultant, either as a prime or subconsultant, with the same fiscal period ICR.

2.7 Subcontracting (Exhibit 10-R, Article X).

- A. Nothing contained in this Agreement or otherwise, shall create any contractual relation between City and any subconsultant(s), and no subcontract shall relieve Consultant of its responsibilities and obligations hereunder. Consultant agrees to be as fully responsible to City for the acts and omissions of its subconsultant(s) and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by Consultant. Consultant's obligation to pay its subconsultant(s) is an independent obligation from City's obligation to make payments to Consultant.
- B. Consultant shall perform the work contemplated with resources available within its own organization and no portion of the work shall be subcontracted without written authorization by City's contract administrator, except that which is expressly identified in Consultant's approved Cost Proposal.
- C. Any subcontracts entered into as a result of this Agreement shall contain all the provisions stipulated in this Agreement to be applicable to subconsultants unless otherwise noted.
- D. Any substitution of subconsultant(s) must be approved in writing by City's contract administrator in advance of assigning work to a substitute subconsultant.
- E. Prompt Progress Payment

Consultant or subconsultant shall pay to any subconsultant, not later than fifteen (15) days after receipt of each progress payment, unless otherwise agreed to in writing, the respective amounts allowed Consultant on account of the work performed by the subconsultants, to the extent of each subconsultant's interest therein. In the event that there is a good faith dispute over all or any portion of the amount due on a progress payment from Consultant or subconsultant to a subconsultant, Consultant or subconsultant may withhold no more than 150% of the disputed amount. Any violation of this requirement shall constitute a cause for disciplinary action and shall subject the licensee to a penalty, payable to the subconsultant, of 2% of the amount due per month for every month that payment is not made.

In any action for the collection of funds wrongfully withheld, the prevailing party shall be entitled to his or her attorney's fees and costs. The sanctions authorized under this requirement shall be separate from, and in addition to, all other remedies, either civil, administrative, or criminal.

The Consultant must submit Exhibit 9-P to the City administering the contract by the 15th of the month following the month of any payment(s). If the Consultant does not make any payments to the subconsultants, supplier(s), and/or manufacturers they must report "no payments were made to subs this month" and write this visibly and legibly on Exhibit 9-P.

The City must verify all Exhibit 9-P information, monitor compliance with prompt payment requirements for DBE and non-DBE firms, and address any shortfalls to the DBE commitment and prompt payment issues until the end of the project. The City must email a copy of Exhibit 9-P to DBE.Forms@dot.ca.gov before the end of the month before receiving the Exhibit 9-P form from the Consultant.

F. Prompt Payment of Withheld Funds to Subconsultants

City may hold retainage from Consultant and shall make prompt and regular incremental acceptances of portions, as determined by City, of the work, and pay retainage to Consultant based on these acceptances. City designates the following method to ensure prompt and full payment of any retainage kept by Consultant or subconsultant to a subconsultant:

No retainage will be held by City from progress payments due to Consultant. Any retainage kept by Consultant or by a subconsultant must be paid in full to the earning subconsultant within 15 days after the subconsultant's work is satisfactorily completed. Any delay or postponement of payment may take place only for good cause and with the City's prior written approval. Any violation of these provisions shall subject the violating Consultant or subconsultant to the penalties, sanctions, and remedies specified in section 3321 of the California

Civil Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies, otherwise available to Consultant or subconsultant in the event of a dispute involving late payment or nonpayment by Consultant, deficient subconsultant performance and/or noncompliance by a subconsultant.

2.8 Equipment Purchase and Other Capital Expenditures (Exhibit 10-R, Article XI).

- A. Prior authorization in writing by City's contract administrator shall be required before Consultant enters into any unbudgeted purchase order, or subcontract exceeding \$5,000 for supplies, equipment, or consultant services. Consultant shall provide an evaluation of the necessity or desirability of incurring such costs.
- B. For purchase of any item, service, or consulting work not covered in Consultant's approved Cost Proposal and exceeding \$5,000, with prior authorization by City's contract administrator, three competitive quotations must be submitted with the request, or the absence of quotes must be adequately justified.
- C. Any equipment purchased with funds provided under the terms of this Agreement is subject to the following:
 - 1. Consultant shall maintain an inventory of all nonexpendable property. Nonexpendable property is defined as having a useful life of at least two years and an acquisition cost of \$5,000 or more. If the purchased equipment needs replacement and is sold or traded in, City shall receive a proper refund or credit at the conclusion of the Agreement, or if the Agreement is terminated, Consultant may either keep the equipment and credit City in an amount equal to its fair market value, or sell such equipment at the best price obtainable at a public or private sale, in accordance with established City procedures, and credit City in an amount equal to the sales price. If Consultant elects to keep the equipment, fair market value shall be determined at Consultant's expense, on the basis of a competent independent appraisal of such equipment. Appraisals shall be obtained from an appraiser mutually agreeable to by City and Consultant, if it is determined to sell the equipment, the terms and conditions of such sale must be approved in advance by City.
 - 2. Regulation 2 CFR Part 200 requires a credit to Federal funds when participating equipment with a fair market value greater than \$5,000 is credited to the project.

2.9 State Prevailing Wage Rates (Exhibit 10-R, Article XII).

- A. No Consultant or subconsultant may be awarded an agreement containing public

work elements unless registered with the Department of Industrial Relations (DIR) pursuant to Labor Code section 1725.5. Registration with DIR must be maintained throughout the entire Term of this Agreement, including any subsequent amendments.

- B. Consultant shall comply with all of the applicable provisions of the California Labor Code pertaining to prevailing wages, including Labor Code section 1720 et seq. and related regulations. If prevailing wage requirements apply to the Agreement, then the Agreement is subject to compliance monitoring and enforcement by the DIR. Consultant must post all job site notices required by laws and regulations pursuant to Labor Code section 1771.4. Each worker performing work under this Agreement that is covered under Labor Code section 1720, 1720.3, or 1720.9, must be paid at a rate not less than the prevailing wage as defined in sections 1771 and 1774 of the Labor Code. The General Prevailing Wage Rate Determinations applicable to work under this Agreement are available and on file with the City and the Department of Transportation's Regional/District Labor Compliance Officer (<https://dot.ca.gov/programs/construction/labor-compliance>). These wage rates are made a specific part of this Agreement by reference pursuant to Labor Code section 1773.2 and will be applicable to work performed at a construction project site. Prevailing wages will be applicable to all inspection work performed at City construction sites, at City facilities and at off-site locations that are set up by the construction contractor or one of its subcontractors solely and specifically to serve City projects. Prevailing wage requirements do not apply to inspection work performed at the facilities of vendors and commercial materials suppliers that provide goods and services to the general public.
- C. General Prevailing Wage Rate Determinations applicable to this project may also be obtained from the Department of Industrial Relations website at <http://www.dir.ca.gov>.
- D. Payroll Records
 1. Each Consultant and subconsultant shall keep accurate certified payroll records and supporting documents as mandated by Labor Code sections 1771.4, 1776, and 1812 and as defined in 8 CCR section 16000 showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by Consultant or subconsultant in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

- a. The information contained in the payroll record is true and correct.
 - b. The employer has complied with the requirements of Labor Code sections 1771, 1811, and 1815 for any work performed by his or her employees on the public works project.
2. The payroll records enumerated under paragraph (1) above shall be certified as correct by Consultant under penalty of perjury. Consultant must electronically submit certified payroll records to the Labor Commissioner as required under California law and regulations. The payroll records and all supporting documents shall be made available for inspection and copying by City representatives at all reasonable hours at the principal office of Consultant. Consultant shall provide copies of certified payrolls or permit inspection of its records as follows:
 - a. A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or the employee's authorized representative on request.
 - b. A certified copy of all payroll records enumerated in paragraph (1) above, shall be made available for inspection or furnished upon request to a representative of City, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards of the Department of Industrial Relations. Certified payrolls submitted to City, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards shall not be altered or obliterated by Consultant.
 - c. The public shall not be given access to certified payroll records by Consultant. Consultant is required to forward any requests for certified payrolls to City's contract administrator by both email and regular mail on the business day following receipt of the request.
3. Each Consultant shall submit a certified copy of the records enumerated in paragraph (1) above, to the entity that requested the records within ten (10) calendar days after receipt of a written request.

4. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by City shall be marked or obliterated in such a manner as to prevent disclosure of each individual's name, address, and social security number. The name and address of Consultant or subconsultant performing the work shall not be marked or obliterated.
 5. Consultant shall inform City of the location of the records enumerated under paragraph (1) above, including the street address, city and county, and shall, within five working days, provide a notice of a change of location and address.
 6. Consultant or subconsultant shall have ten (10) calendar days in which to comply subsequent to receipt of written notice requesting the records enumerated in paragraph (1) above. In the event the Consultant or subconsultant fails to comply within the ten (10) day period, he or she shall, as a penalty to City, forfeit one hundred dollars (\$100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Such penalties will be withheld by the Division of Labor Enforcement Standards from payments then due. Consultant is not subject to a penalty assessment pursuant to this Section due to the failure of a subconsultant to comply with this Section.
- E. When prevailing wage rates apply, Consultant is responsible for verifying compliance with certified payroll requirements. Invoice payment will not be made until the invoice is approved by City's contract administrator.
- F. Penalty
1. Consultant and any of its subconsultants shall comply with Labor Code sections 1774 and 1775. Pursuant to Labor Code section 1775, Consultant and any subconsultant shall forfeit to City a penalty of not more than two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of DIR for the work or craft in which the worker is employed for any public work done under the Agreement by the Consultant or by its subconsultant in violation of the requirements of the Labor Code and in particular, Labor Code sections 1770 to 1780, inclusive.
 2. The amount of this forfeiture shall be determined by the Labor Commissioner and shall be based on consideration of mistake, inadvertence, or neglect of the Consultant or subconsultant in failing to pay the correct rate of prevailing wages, or the previous record of

Consultant or subconsultant in meeting their respective prevailing wage obligations, or the willful failure by the Consultant or subconsultant to pay the correct rates of prevailing wages. A mistake, inadvertence, or neglect in failing to pay the correct rates of prevailing wages is not excusable if Consultant or subconsultant had knowledge of the obligations under the Labor Code. Consultant is responsible for paying the appropriate rate, including any escalations that take place during the Term of the Agreement.

3. In addition to the penalty and pursuant to Labor Code section 1775, the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by Consultant or subconsultant.
4. If a worker employed by a subconsultant on a public works project is not paid the general prevailing per diem wages by the subconsultant, the prime Consultant of the project is not liable for the penalties described above unless the prime Consultant had knowledge of that failure of the subconsultant to pay the specified prevailing rate of wages to those workers or unless the prime Consultant fails to comply with all of the following requirements:
 - a. The agreement executed between the Consultant and the subconsultant for the performance of work on public works projects shall include a copy of the requirements in Labor Code sections 1771, 1775, 1776, 1777.5, 1813, and 1815.
 - b. Consultant shall monitor the payment of the specified general prevailing rate of per diem wages by the subconsultant to the employees by periodic review of the certified payroll records of the subconsultant.
 - c. Upon becoming aware of the subconsultant's failure to pay the specified prevailing rate of wages to the subconsultant's workers, Consultant shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subconsultant for work performed on the public works project.
 - d. Prior to making final payment to the subconsultant for work performed on the public works project, Consultant shall obtain an affidavit signed under penalty of perjury from the subconsultant that the subconsultant had paid the specified general prevailing rate of per diem wages to the subconsultant's employees on the

public works project and any amounts due pursuant to Labor Code section 1813.

5. Pursuant to Labor Code section 1775, City may notify Consultant on a public works project within fifteen (15) calendar days of receipt of a complaint that a subconsultant has failed to pay workers the general prevailing rate of per diem wages.
 6. If City determines that employees of a subconsultant were not paid the general prevailing rate of per diem wages and if City did not retain sufficient money under the Agreement to pay those employees the balance of wages owed under the general prevailing rate of per diem wages, Consultant shall withhold an amount of moneys due the subconsultant sufficient to pay those employees the general prevailing rate of per diem wages if requested by City.
- G. Hours of Labor. Eight (8) hours labor constitutes a legal day's work. Consultant shall forfeit to City, as a penalty, twenty-five dollars (\$25) for each worker employed in the execution of the Agreement by Consultant or any of its subconsultants for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code, and in particular sections 1810 to 1815 thereof, inclusive, except that work performed by employees in excess of eight (8) hours per day, and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day and forty (40) hours in any week, at not less than one and one-half (1.5) times the basic rate of pay, as provided in section 1815.
- H. Employment of Apprentices
1. Where either the Agreement or the subcontract exceeds thirty thousand dollars (\$30,000), Consultant and any subconsultants under him or her shall comply with all applicable requirements of Labor Code sections 1777.5, 1777.6 and 1777.7 in the employment of apprentices.
 2. Consultant and subconsultants are required to comply with all Labor Code requirements regarding the employment of apprentices, including mandatory ratios of journey level to apprentice workers. Prior to commencement of work, Consultant and subconsultants are advised to contact the DIR Division of Apprenticeship Standards website at <https://www.dir.ca.gov/das/>, for additional information regarding the employment of apprentices and for the specific journey- to-apprentice ratios for the work under the Agreement. Consultant is responsible for all subconsultants' compliance with these requirements. Penalties are

specified in Labor Code section 1777.7.

2.10 Conflict of Interest (Exhibit 10-R, Article XIII).

- A. During the Term of this Agreement, Consultant shall disclose any financial, business, or other relationship with City that may have an impact upon the outcome of this Agreement or any ensuing City construction project. Consultant shall also list current clients who may have a financial interest in the outcome of this Agreement or any ensuing City construction project which will follow.
- B. Consultant certifies that it has disclosed to City any actual, apparent, or potential conflicts of interest that may exist relative to the services to be provided pursuant to this Agreement. Consultant agrees to advise City of any actual, apparent or potential conflicts of interest that may develop subsequent to the date of execution of this Agreement. Consultant further agrees to complete any statements of economic interest if required by either City ordinance or State law.
- C. Consultant hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this Agreement.
- D. Consultant hereby certifies that Consultant or subconsultant and any firm affiliated with Consultant or subconsultant that bids on any construction contract or on any agreement to provide construction inspection for any construction project resulting from this Agreement has established necessary controls to ensure a conflict of interest does not exist. An affiliated firm is one, which is subject to the control of the same persons, through joint ownership or otherwise.

2.11 Rebates, Kickbacks or Other Unlawful Consideration (Exhibit 10-R, Article XIV).

Consultant warrants that this Agreement was not obtained or secured through rebates, kickbacks or other unlawful consideration either promised or paid to any City employee. For breach or violation of this warranty, City shall have the right, in its discretion, to terminate the Agreement without liability, to pay only for the value of the work actually performed, or to deduct from the Agreement price or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

2.12 Prohibition of Expending Local Agency, State, or Federal Funds for Lobbying (Exhibit 10-R, Article XV).

- A. Consultant certifies, to the best of his or her knowledge and belief, that:

1. No state, federal or local agency appropriated funds have been paid or will be paid, by or on behalf of Consultant, to any person for influencing or attempting to influence an officer or employee of any local, state or federal agency, a Member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding or making of this Agreement, or with the extension, continuation, renewal, amendment, or modification of this Agreement.
 2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Agreement, Consultant shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- B. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. section 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than ten thousand dollars (\$10,000) and not more than one hundred thousand dollars (\$100,000) for each such failure.
- C. The Consultant also agrees by signing this document that he or she shall require that the language of this certification be included in all lower tier subagreements, which exceed one hundred thousand dollars (\$100,000), and that all such subrecipients shall certify and disclose accordingly.

2.13 Non-Discrimination Clause and Statement of Compliance (Exhibit 10-R, Article XVI).

- A. Consultant's signature affixed to the Agreement, and dated, shall constitute a certification under penalty of perjury under the laws of the State of California that Consultant has, unless exempt, complied with the nondiscrimination program requirements of Gov. Code § 12990 and 2 CCR § 8103.
- B. During the performance of this Agreement, Consultant and its subconsultants shall not deny the Agreement's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of

race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Consultant and subconsultants shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

- C. Consultant and subconsultants shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 et seq.), the applicable regulations promulgated thereunder (2 CCR §11000 et seq.), the provisions of Gov. Code §§11135- 11139.5, and the regulations or standards adopted by City to implement such article. The applicable regulations of the Fair Employment and Housing Commission implementing Gov. Code § 12990 (a-f), set forth 2 CCR §§ 8100-8504, are incorporated into this Agreement by reference and made a part hereof as if set forth in full.
- D. Consultant shall permit access by representatives of the Department of Fair Employment and Housing and City upon reasonable notice at any time during the normal business hours, but in no case less than twenty-four (24) hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or City shall require to ascertain compliance with this clause.
- E. Consultant and its subconsultants shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- F. Consultant shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.
- G. Consultant, with regard to the work performed under this Agreement, shall act in accordance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d et seq.). Title VI provides that the recipients of federal assistance will implement and maintain a policy of nondiscrimination in which no person in the United States shall, on the basis of race, color, national origin, religion, sex, age, disability, be excluded from participation in, denied the benefits of or subject to discrimination under any program or activity by the recipients of federal assistance or their assignees and successors in interest.
- H. Consultant shall comply with regulations relative to non-discrimination in federally-assisted programs of the U.S. Department of Transportation (49 CFR Part 21 - Effectuation of Title VI of the Civil Rights Act of 1964). Specifically, Consultant shall not participate either directly or indirectly in the discrimination prohibited by 49 CFR §21.5, including employment practices and the selection and retention of subconsultants.

- I. Consultant, subrecipient or subconsultant will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR 26 on the basis of race, color, sex, or national origin.

2.14 Debarment and Suspension Certification (Exhibit 10-R, Article XVII).

- A. Consultant's signature affixed to the Agreement shall constitute a certification under penalty of perjury under the laws of the State of California, that Consultant or any person associated therewith in the capacity of owner, partner, director, officer, or manager:
 1. Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;
 2. Has not been suspended, debarred, voluntarily excluded, or determined ineligible by any federal agency within the past three years;
 3. Does not have a proposed debarment pending; and
 4. Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three years.
- B. Any exceptions to this certification must be disclosed to City. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining responsibility. Disclosures must indicate the party to whom the exceptions apply, the initiating agency, and the dates of agency action.
- C. Exceptions to the Federal Government excluded parties (<https://sam.gov/content/home>) maintained by the U.S. General Services Administration are to be determined by the Federal Highway Administration.

2.15 Disadvantage Business Enterprise (DBE) (Exhibit 10-R, Article XVIII)

- A. The consultant or subconsultant shall take necessary and reasonable steps to ensure that DBEs have opportunities to participate in the contract (49 CFR 26).
- B. In accordance with CFR 26.13 (b): Consultant or subconsultant shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Consultant shall carry out applicable requirements of 49 CFR 26 in the award and administration of federal-aid

contracts.

Failure by the Consultant to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the City deems appropriate, which may include, but is not limited to:

1. Withholding monthly progress payments;
2. Assessing sanctions; and/or
3. Disqualifying the consultant from future proposing as non-responsible

2.16 Funding Requirements (Exhibit 10-R, Article XX).

- A. It is mutually understood between the Parties that this Agreement may have been written before ascertaining the availability of funds or appropriation of funds, for the mutual benefit of both Parties, in order to avoid program and fiscal delays that would occur if the Agreement were executed after that determination was made.
- B. This Agreement is valid and enforceable only if sufficient funds are made available to City for the purpose of this Agreement. In addition, this Agreement is subject to any additional restrictions, limitations, conditions, or any statute enacted by the Congress, State Legislature, or City Council that may affect the provisions, terms, or funding of this Agreement in any manner.
- C. It is mutually agreed that if sufficient funds are not appropriated, this Agreement may be amended to reflect any reduction in funds.
- D. City has the option to terminate the Agreement pursuant to Section 8.1 of the Agreement, or by mutual agreement to amend the Agreement to reflect any reduction of funds.

2.17 Contingent Fee (Exhibit 10-R, Article XXII).

Consultant warrants, by execution of this Agreement, that no person or selling agency has been employed, or retained, to solicit or secure this Agreement upon an agreement or understanding, for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees, or bona fide established commercial or selling agencies maintained by Consultant for the purpose of securing business. For breach or violation of this warranty, City has the right to annul this Agreement without liability; to pay only for the value of the work actually performed; or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

2.18 Inspection of Work (Exhibit 10-R, Article XXIV).

Consultant and any subconsultants shall permit City, the State of California, and the Federal Highway Administration ("FHWA") to review and inspect the project activities, including the services, and all files pertaining thereto, at all reasonable times during the Term of the Agreement.

2.19 Safety (Exhibit 10-R, Article XXV).

- A. Consultant shall comply with Occupational Safety and Health Administration (OSHA) regulations applicable to Consultant regarding necessary safety equipment or procedures. Consultant shall comply with safety instructions issued by City Safety Officer and other City representatives. Consultant personnel shall wear hard hats and safety vests at all times while working on the construction project site.
- B. Pursuant to the authority contained in Vehicle Code section 591, City has determined that such areas are within the limits of the project and are open to public traffic. Consultant shall comply with all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code. Consultant shall take all reasonably necessary precautions for safe operation of its vehicles and the protection of the traveling public from injury and damage from such vehicles.
- C. Any subcontract entered into as a result of this Agreement shall contain all of the provisions of this Section.
- D. If the Agreement involves the construction or excavation of trenches of five feet or deeper, Consultant must have a Division of Occupational Safety and Health (CAL- OSHA) permit(s), as outlined in Labor Code sections 6500 and 6705, prior to the initiation of any practices, work, method, operation, or process related to the construction or excavation of trenches which are five (5) feet or deeper.

2.20 Ownership of Data (Exhibit 10-R, Article XXVI).

- A. It is mutually agreed that all materials prepared by Consultant under this Agreement shall become the property of City, and Consultant shall have no property right therein whatsoever. Immediately upon termination, City shall be entitled to, and Consultant shall deliver to City, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not, and other such materials as may have been prepared or accumulated to date by Consultant in performing this Agreement which is not Consultant's privileged information, as defined by law, or Consultant's personnel information, along with all other property belonging exclusively to City which is in Consultant's possession. Publication of the information derived from work performed or data obtained in connection with services rendered under this Agreement must be approved in writing by City.

- B. Additionally, it is agreed that the Parties intend this to be an Agreement for services and each considers the products and results of the services to be rendered by Consultant hereunder to be work made for hire. Consultant acknowledges and agrees that the work (and all rights therein, including, without limitation, copyright) belongs to and shall be the sole and exclusive property of City without restriction or limitation upon its use or dissemination by City.
- C. Nothing herein shall constitute or be construed to be any representation by Consultant that the work product is suitable in any way for any other project except the one detailed in this Agreement. Any reuse by City for another project or project location shall be at City's sole risk.
- D. Applicable patent rights provisions regarding rights to inventions shall be included in the contracts as appropriate (48 CFR 27 Subpart 27.3 – Patent Rights under Government Contracts for federal-aid contracts).
- E. City may permit copyrighting reports or other agreement products. If copyrights are permitted, the FHWA shall have the royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for government purposes.

2.21 Claims Filed by City's Construction Contractor (Exhibit 10-R, Article XXVII).

- A. If claims are filed by City's construction contractor relating to work performed by Consultant's personnel, and additional information or assistance from Consultant's personnel is required in order to evaluate or defend against such claims, Consultant agrees to make its personnel available for consultation with City's construction contract administrator and legal staff and for testimony, if necessary, at depositions and at trial or arbitration proceedings.
- B. Consultant's personnel that City considers essential to assist in defending against construction contractor claims will be made available on reasonable notice from City. Consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for Consultant's personnel services under this Agreement.
- C. Services of Consultant's personnel in connection with City's construction contractor claims will be performed pursuant to a written amendment to this Agreement, if necessary, extending the termination date of this Agreement in order to resolve the construction claims.

2.22 Confidentiality of Data (Exhibit 10-R, Article XXVIII).

- A. All financial, statistical, personal, technical, or other data and information relative to City's operations, which are designated confidential by City and made available to Consultant in order to carry out this Agreement, shall be protected by Consultant from unauthorized use and disclosure.
- B. Permission to disclose information on one occasion, or public hearing held by City relating to the Agreement, shall not authorize Consultant to further disclose such information, or disseminate the same on any other occasion.
- C. Consultant shall not comment publicly to the press or any other media regarding the Agreement or City's actions on the same, except to City's staff, Consultant's own personnel involved in the performance of this Agreement, at public hearings, or in response to questions from a Legislative committee.
- D. Consultant shall not issue any news release or public relations item of any nature whatsoever, regarding work performed or to be performed under this Agreement without prior review of the contents thereof by City, and receipt of City's written permission.
- E. Any subcontract entered into as a result of this Agreement shall contain all of the provisions of this Section.
- F. All information related to a construction estimate is confidential, and shall not be disclosed by Consultant to any entity, other than City, Caltrans, and/or FHWA. All of the materials prepared or assembled by Consultant pursuant to performance of this Agreement are confidential and Consultant agrees that they shall not be made available to any individual or organization without the prior written approval of City or except by court order. If Consultant or any of its officers, employees, or subcontractors does voluntarily provide information in violation of this Agreement, City has the right to reimbursement and indemnity from Consultant for any damages caused by Consultant releasing the information, including, but not limited to, City's attorney's fees and disbursements, including without limitation experts' fees and disbursements.

2.23 National Labor Relations Board Certification (Exhibit 10-R, Article XXIX).

In accordance with Public Contract Code § 10296, Consultant hereby states under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against Consultant within the immediately preceding two-year period because of Consultant's failure to comply with an order of a federal court that orders Consultant to comply with an order of the National Labor Relations Board.

2.24 Evaluation of Consultant (Exhibit 10-R, Article XXX).

2.25 Reserved.

Consultant's performance may be evaluated by City. A copy of the evaluation will be sent to Consultant for comments. The evaluation together with the comments shall be retained as part of the Agreement record.

2.26 Prompt Payment (Exhibit 10-R, Article XXXI).**A. Prompt payment from City to Consultant**

City shall make all project progress payment within 30 days after receipt of an undisputed and properly submitted payment request from Consultant on a professional service contract. If the City fails to pay promptly, the City shall pay interest to the Consultant, which accrues at the rate of 10 percent per annum on the principal amount of a money judgment remaining unsatisfied and pro-rated as necessary. Upon receipt of the payment request, the City shall act in accordance with both of the following:

1. City shall review each payment request as soon as feasible after receipt to verify it is a proper payment request.
2. City must return any payment request deemed improper by the City to the Consultant as soon as feasible, but not later than seven days after receipt. A request returned pursuant to this paragraph shall include documentation setting forth in writing the reasons why it is an improper payment request.

B. Prompt Payment Certification

Consultant must submit Exhibit 9-P to the City by the 15th of the month following the month of any payment(s). If the Consultant does not make any payments to subconsultants, supplier(s), and/or manufacturers they must report "no payments were made to subs this month" and write this visibly and legibly on Exhibit 9-P.

2.27 Title VI Assurances (Exhibit 10-R, Article XXXII).**APPENDIX A**

During the performance of this Agreement, the contractor, for itself, its assignees and successors in interest (hereinafter collectively referred to as "Consultant") agrees as follows:

- a. Compliance with Regulations: Consultant shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department

of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this agreement.

- b. Nondiscrimination: Consultant, with regard to the work performed by it during the Agreement, shall not discriminate on the grounds of race, color, sex, national origin, religion, age, or disability in the selection and retention of sub-applicants, including procurements of materials and leases of equipment. Consultant shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the agreement covers a program set forth in Appendix B of the Regulations.
- c. Solicitations for Sub-agreements, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by Consultant for work to be performed under a Sub- agreement, including procurements of materials or leases of equipment, each potential sub-applicant or supplier shall be notified by Consultant of the Consultant's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- d. Information and Reports: Consultant shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the recipient or FHWA to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of Consultant is in the exclusive possession of another who fails or refuses to furnish this information, Consultant shall so certify to the recipient or FHWA as appropriate, and shall set forth what efforts Consultant has made to obtain the information.
- e. Sanctions for Noncompliance: In the event of Consultant's noncompliance with the nondiscrimination provisions of this agreement, the recipient shall impose such agreement sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:
 - i. withholding of payments to Consultant under the Agreement within a reasonable period of time, not to exceed 90 days; and/or
 - ii. cancellation, termination or suspension of the Agreement, in whole or in part.

- f. Incorporation of Provisions: Consultant shall include the provisions of paragraphs (1) through (6) in every sub-agreement, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.

Consultant shall take such action with respect to any sub-agreement or procurement as the recipient or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that, in the event Consultant becomes involved in, or is threatened with, litigation with a sub-applicant or supplier as a result of such direction, Consultant may request the recipient enter into such litigation to protect the interests of the State, and, in addition, Consultant may request the United States to enter into such litigation to protect the interests of the United States.

APPENDIX E

During the performance of this contract, the Consultant, for itself, its assignees, and successors in interest (hereinafter referred to as the "Consultant") agrees to comply with the following non-discrimination statutes and authorities, including, but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), prohibits discrimination on the basis of sex;
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964,

The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

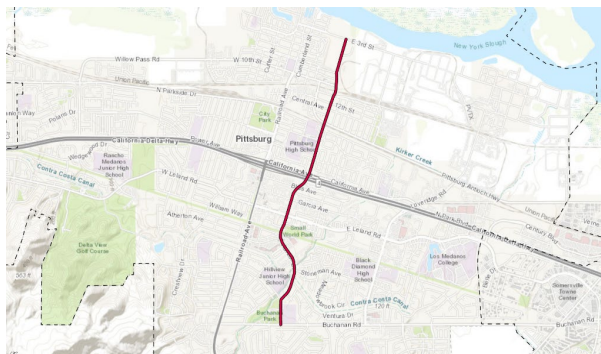
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of Limited English Proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C.1681 et seq).

Project Title:

Project #:

Harbor St. Safety Improvements (HSIP 12)

2037



Project Category:	Roadway Infrastructure
Location:	Harbor Street from Buchanan Road to East 3rd Street
Project Manager:	K.Labao
Project Priority:	1C – Essential
Project Status:	Design
Est. Completion Date:	2027/28

Description/Justification:

Improve signal hardware (Cabinets, signal heads, backplates, controllers, backup battery systems, and modems) at intersections, lighting roadway segment improvements, and upgrade pedestrian crossings with enhanced safety features.

Supplemental Information:

On February 28, 2025, Caltrans awarded the City an HSIP 12 Cycle Grant in the amount of \$2,246,922.

PROJECT FINANCING		CURRENT		PROPOSED					
PROJECT EXPENDITURES		Prior	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	TOTAL
1101	Staff Time		\$ 10,200	\$ 19,800	\$ 22,500				\$ 52,500
2122	Design			\$ 250,124					\$ 250,124
2281	Construction			\$ 1,374,876	\$ 882,700				\$ 2,257,576
2372	Administrative Overhead		\$ 10,200	\$ 19,800	\$ 22,500				\$ 52,500
TOTAL			\$ 20,400	\$ 1,664,600	\$ 927,700				\$ 2,612,700
PROJECT FUNDING		Prior	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	TOTAL
Federal/State Funding		\$ 2,246,922							\$ 2,246,922
201	HUTA	\$ 365,778							\$ 365,778
TOTAL		\$ 2,612,700							\$ 2,612,700



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Mayor and Council Members

FROM: Darin E. Gale, City Manager
Jordan Davis, Director of Community and Economic Development
Alison Spells, Senior Planner

SUBJECT: Adoption of a City Council Resolution Authorizing the City Manager to Execute a First Amendment to the Consulting Services Agreement with Raney Planning and Management, Inc. for the Faria Development Project and Amending Fiscal Year 2026-27 Budget

EXECUTIVE SUMMARY

The item would authorize the City Manager to execute a First Amendment to the Consulting Services Agreement with Raney Planning and Management, Inc. for environmental review services to comply with the California Environmental Quality Act (CEQA) for the Faria Development Project, AP-25-0050, a proposed residential subdivision on a 606-acre site. The City Council authorized the City Manager to execute the original Consulting Services Agreement on April 6, 2026, in Resolution No. 26-14759.

FISCAL IMPACT

Staff recommends the City Council allocate an additional \$62,854.50 to the consultant budget for consultant costs for additional CEQA services by Raney Planning and Management, Inc. The requested budget increase will augment the original contract amount and contingency from \$51,587.50, as executed in Resolution No. 26-14759 to \$114,442.

If this recommendation is authorized by the City Council, the City Manager will execute a First Amendment to the Consulting Services Agreement with Raney Planning and Management for an increased sum and compensation not to exceed \$114,442.

The applicant (Faria Land Investors, LLC) has an executed Reimbursement Agreement with the City and has provided funds to cover the revised total costs of CEQA Consultant services. As such, there is no anticipated fiscal impact to the City.

RECOMMENDATION

Staff recommends the City Council adopt the attached resolution authorizing the City Manager to execute a First Amendment to the Consulting Services Agreement with Raney Planning and Management, Inc., for environmental review services related to the Faria Development Project, AP-25-0050.

BACKGROUND

The Faria property is an approximately 606-acre, undeveloped area at the southwest municipal boundary of the City of Pittsburg. In 2013, the City contracted with Raney Planning and Management, Inc., to prepare an Environmental Impact Report (EIR) for the Faria/Southwest Hills Annexation Project (AP-10-717), a request for approval of General Plan Amendments, Prezoning Designations, a Development Agreement and Master Plan. The EIR for the project evaluated the environmental impacts associated with maximum buildout of the Faria property to include up to 1,500 single-family residential units.

On April 17, 2023, the City Council: (1) certified the EIR in Resolution No. 23-14269, (2) approved the requested General Plan Amendments in Resolution No. 23-14270, and (3) initiated annexation proceedings for the Faria property in Resolution No. 23-14271.

On May 1, 2023, the City Council: (1) approved the Development Agreement in Ordinance No. 23-1507 and (2) amended Prezoning Designations and adopted the Master Plan for the Faria property in Ordinance No. 23-1508.

On June 12, 2024, in Resolution No. 21-05, the Contra Costa Local Agency Formation Commission (LAFCO) approved annexation of the 606-acre Faria property into the City of Pittsburg, Contra Costa Water District and Delta Diablo Service Areas.

On June 20, 2025, the applicant submitted Planning Application No. 25-0050, requesting approval of a preliminary Vesting Tentative Map for the Faria property.

On April 6, 2026, in Resolution No. 26-14759, the City Council authorized the City Manager to Execute a Consulting Services Agreement with Raney Planning and Management, Inc., for environmental review services in compliance with CEQA for the Faria Development Project, AP-25-0050. As part of the CEQA project review City staff determined that additional transportation analysis was necessary to support environmental review of the project, which requires a transportation subconsultant and corresponding adjustments to the Consultant's compensation.

SUBCOMMITTEE FINDINGS

The item was not presented to a subcommittee.

STAFF ANALYSIS

Raney Planning and Management, Inc. is uniquely familiar with the Faria project site, environmental conditions, and prior analysis. Allowing this First Amendment to the existing agreement will provide continuity and efficiency in completing the required environmental review documentation required by CEQA for the Faria Development Project, AP-25-0050.

The additional transportation analysis necessary to support environmental review of the project will increase the original contract amount to \$114,442. Resolution No. 26-14759 authorized allocation of \$51,587.50 to the consultant budget for consultant costs. Staff recommend the City Council authorize execution of the First Amendment to the agreement, increasing the CEQA Consultant budget for the project by \$62,854.50, for a total compensation not to exceed \$114,442.

ATTACHMENTS:

1. Proposed Resolution
2. Resolution No. 26-14759
3. First Amendment to Consulting Services Agreement
 - a. Exhibit B – Compensation

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter Of:

Authorizing the City Manager to Execute)
A First Amendment to the Consulting)
Services Agreement with Raney)
Planning and Management, Inc. for the)
Faria Development Project, AP-25-0050)

RESOLUTION NO. 26-

WHEREAS, on April 6, 2026, the City Council adopted Resolution No. 26-14759, authorizing the City Manager to execute an Agreement with Raney Planning and Management, Inc. ("Consultant") for further environmental review of the Faria Development Project, AP-25-0050, a proposed residential subdivision on a 606-acre site; and

WHEREAS, Resolution No. 26-14759 increased the Developer Deposits Fund estimated revenue and appropriations by \$51,587.50, to cover the estimated \$41,270 cost for CEQA services by Raney Planning and Management, Inc., along with an approximately 25 percent contingency of \$10,317.50; and

WHEREAS, following execution of the Agreement, City staff determined that additional transportation analysis was necessary to support further environmental review of the project; and

WHEREAS, the additional work requires the services of a transportation subconsultant and corresponding adjustments to the Consultant's scope of services and compensation; and

WHEREAS, City staff recommend this First Amendment to the Agreement to incorporate the additional scope of work and increase the compensation amount by \$62,854.50.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Pittsburgh hereby authorizes the City Manager to execute this First Amendment to the Consulting Services Agreement with Raney Planning and Management, Inc.

BE IT FURTHER RESOLVED that fiscal year 2026-2027 budget is amended to increase the Developer Deposits Fund estimated revenue and appropriations by \$62,854.50 each.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 17th day of August 2026, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dionne Adams, Mayor

ATTEST:

Alice E. Evenson, City Clerk

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Authorizing the City Manager to)
Execute a Consulting Services)
Agreement with Raney Planning)
& Management, Inc. for the Faria)
Development Project, AP-25-0050)

RESOLUTION NO. 26-14759

WHEREAS, on June 20, 2025, Faria Land Investors, LLC ("Developer") submitted a Formal application for the proposed "Faria Development Project," Planning Application No. 25-0050, requesting approval of various entitlements including a Vesting Tentative Map for a Major Subdivision, to construct up to 1,500 residential units in multiple phases on an approximately 606-acre site located in the southwest hills immediately east of Concord City limits. Assessor's Parcel Numbers: 091-040-002, 092-010-006, 092-020-002, 092-020-003, 092-030-012 (Portion), 092-040-008, 092-050-002; and

WHEREAS, on November 12, 2025, Raney Planning & Management, Inc., submitted a Scope of Work for Environmental Consulting Services pursuant to the California Environmental Quality Act (CEQA) for the Faria Development Project, AP-25-0050, a residential subdivision on a 606-acre site; and

WHEREAS, Raney Planning & Management, Inc. prepared the Environmental Impact Report for the Faria/Southwest Hills Annexation Project (AP-10-717) which was certified by the Pittsburg City Council in Resolution No. 23-14269 on April 17, 2023, and is uniquely familiar with the Faria project site and environmental conditions; and

WHEREAS, the Developer will be required to execute a Reimbursement Agreement with the City and deposit funds in an amount sufficient to reimburse the cost of environmental review services.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Pittsburg hereby authorizes the City Manager to execute the Consulting Services Agreement with Raney Planning and Management, Inc.

BE IT FURTHER RESOLVED that fiscal year 2025-26 budget is amended to increase Developer Deposits Fund estimated revenue and appropriations by \$51,587.50 each.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 6th day of April 2026, by the following vote:

AYES: Killings, Kobata, Lopez
NOES: None
ABSTAINED: None
ABSENT: Banales[Recused], Adams

Signed by:

Dionne Adams, Mayor

ATTEST:


Alice E. Evenson, City Clerk

**FIRST AMENDMENT TO
CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF PITTSBURG AND
RANEY PLANNING AND MANAGEMENT, INC.**

THIS First Amendment to the Principal Agreement made and entered into February 19, 2026, hereafter referred to as Agreement, between Raney Planning and Management, Inc., a California corporation, therein referred to as Consultant, and the City of Pittsburg, a municipal corporation, therein referred to as City, is made and entered into on this 17 day of August, 2026.

WHEREAS, the parties entered into an Agreement for further environmental review of the Faria Development Project, AP-25-0050, a proposed residential subdivision on a 606-acre site; and

WHEREAS, the parties desire to include a transportation analysis and increase the compensation amount accordingly.

NOW, THEREFORE, Consultant and City do mutually agree as follows:

1. Compensation. Section 2 of the Agreement is hereby amended to read as follows: City hereby agrees to pay Consultant a sum not to exceed one hundred fourteen thousand four hundred forty-two dollars (\$114,442) as set forth in Exhibit B, attached hereto and incorporated herein for services to be performed and reimbursable expenses incurred under this Agreement. This dollar amount is not a guarantee that the City will pay that full amount to the Consultant, but is merely a limit of potential City expenditures under this Agreement.

2. Exhibit B Compensation Schedule. Exhibit B is hereby replaced with Attachment 1 of this First Amendment.

3. Integration. This First Amendment contains the entire agreement between the parties with respect to its subject matter and supersedes whatever oral or written understanding they may have had prior to the execution of this First Amendment. This First Amendment shall not be amended or modified except by a written agreement executed by each of the parties. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Consultant shall perform all duties, obligations and conditions required under the Agreement.

4. Inconsistencies. In the event of any conflict or inconsistency between the provisions of this First Amendment and the Agreement, the provisions of this First Amendment shall control in all respects.

5. Ambiguities. The parties have each carefully reviewed this First Amendment and have agreed to each term of this First Amendment. No ambiguity shall be presumed to

be construed against either party.

6. Counterparts. This First Amendment may be executed by the parties in one or more counterparts all of which collectively shall constitute one document and agreement.

7. Authority. The person signing this First Amendment for Consultant hereby represents and warrants that he or she is fully authorized to sign this First Amendment on behalf of Consultant.

IN WITNESS WHEREOF, the parties have entered into this First Amendment on the day and year first hereinabove appearing.

CONSULTANT:

RANEY PLANNING AND
MANAGEMENT, INC, a California
corporation

By: 

Roderick Stinson, Vice President

CITY:

CITY OF PITTSBURG, a municipal
corporation of the State of California

By: _____

Darin Gale, City Manager

APPROVED AS TO FORM:

By: _____

Donna Mooney, City Attorney

EXHIBIT B

COMPENSATION SCHEDULE

		Fee
Task 1	Project Initiation	\$1,035
Task 2	Prepare Administrative Draft Modified IS Checklist and AQ/GHG Technical Analysis	\$10,560 \$4,540
Task 3	Prepare Screencheck Modified IS Checklist	\$3,450
Task 4	Prepare Final Modified IS Checklist and Notice of Exemption	\$1,260
Task 5	Project Management and Meetings	\$6,090
Expenses		
	Copying/Printing/Travel/Postage/Etc.*	\$350
	Sub-Consultant: Saxelby Acoustics	\$12,682
	10% Administrative Fee	\$1,303
	Sub-Consultant: Fehr & Peers (Transportation Studies)	\$66,520
	10% Administrative Fee	\$6,652
	Total	\$114,442
*Estimate only and will be billed at cost.		

The cost for completion of the environmental consulting services described in Exhibit A – Scope of Services is anticipated not to exceed \$114,442 as shown in Exhibit B – Compensation Schedule above.

Consultant shall perform the tasks described in Exhibit A – Scope of Services on time and materials basis according to the rate sheet on the following page.

Faria Project Modified IS Checklist								
COST ESTIMATE								
		Project Director	Project Manager	Air Quality Specialist	Air Quality Technician	Senior Associate	Associate	Cost Per Task
Task 1	Project Initiation	3	2					\$ 1,035
Task 2a	Prepare Administrative Draft Modified IS Checklist	4	6			8	54	\$ 10,560
2b	Prepare AQ/GHG Technical Analysis			10	18			\$ 4,540
Task 3	Prepare Screencheck Modified IS Checklist	2	4			4	12	\$ 3,450
Task 4	Prepare Final Modified IS Checklist and Notice of Exemption	1	1			2	4	\$ 1,260
Task 5	Project Management and Meetings	12	18					\$ 6,090
	Total Hours	22	31	10	18	14	70	
	Hourly Rate	\$ 215	\$ 195	\$ 175	\$ 155	\$ 155	\$ 135	
	Total Labor	\$ 4,730	\$ 6,045	\$ 1,750	\$ 2,790	\$ 2,170	\$ 9,450	\$ 26,935
	Expenses							\$ 14,335
	Copying/Printing/Travel/Postage/Etc.*						\$ 350	
	Sub-Consultant: Saxelby Acoustics						\$ 12,682	
	10% administrative fee						\$ 1,303	
	Sub-Consultant: Fehr & Peers (Transportation Studies)						\$ 66,520	
	10% Administrative Fee						\$ 6,652	
	Total Budget							\$114,442

*Estimate only and will be billed at cost.



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Chair and Governing Board Members

FROM: Darin E. Gale, Executive Director
Jordan Davis, Director of Community and Economic Development
Vanessa Xie, General Manager of Pittsburg Power Company

SUBJECT: Adoption of a Pittsburg Power Company Resolution
Approving the 2025 Annual Power Source Disclosure Report
to the California Energy Commission

EXECUTIVE SUMMARY

California Public Utilities Code Section 398.1(b) requires all retail suppliers of electricity products to file an annual report with the California Energy Commission (CEC) to disclose the sources or fuel types of power procured and sold to end-use customers. The Pittsburg Power Company (PPC) provides retail electricity service on Mare Island, Vallejo, under the name of Island Energy (IE) and is required by law to disclose the sources of its energy procurement and sales to its end users on Mare Island. The CEC requires the Governing Board of the Pittsburg Power Company to approve its 2025 Annual Power Source Disclosure Report (PSD Report).

FISCAL IMPACT

Approval of the 2025 Annual Power Source Disclosure Report has no fiscal impact on Island Energy Enterprise Fund or the City's General Fund.

RECOMMENDATION

The Governing Board of the Pittsburg Power Company (Board) approves the 2025 Annual Power Source Disclosure Report, attests the information contained in the report is true and accurate and the energy that PPC procured was sold once and only once to end-use customers on Mare Island, Vallejo.

BACKGROUND

Electricity retail suppliers are required to report the resources or fuel types of power procured and sold in the form of a Power Source Disclosure Report developed by the CEC. The CEC also requires the power source disclosure report to be independently audited. An electricity retail supplier that is a public agency, such as PPC, is not required to comply with the audit requirements if the board of directors of the public agency approves the power source disclosure report at a public meeting and attests the information contained in the power source disclosure Report is accurate.

SUBCOMMITTEE FINDINGS

This item was not presented to a Subcommittee.

STAFF ANALYSIS

The 2025 Power Source Disclosure Report shows that during calendar year 2025, 29% of PPC's annual electricity sales to end-use customers was purchased from solar generation, 1% from CEC-eligible hydroelectric sources (small hydropower plants with nameplate generation capacity less than 30 MW), and 50% from large hydroelectric generation. In summary, 30% of 2025 annual electricity retail sales were generated by CEC-certified renewable sources. The remaining 20% of annual electricity sales was purchased from the California energy market and its sources of generation cannot be specified.

The CEC regulations authorize a public agency electric retail provider that offers only one electricity product to approve submission of an attestation of the veracity of the annual report, in lieu of a requirement to provide a verification from an auditor. The methodology used in preparation for the 2025 PSD report is consistent with the CEC's filing guidelines. PPC filed the 2025 PSD report with CEC on 5/28/2026, and CEC has accepted the report.

ATTACHMENTS: Resolution
2025 Annual Report of Power Source Disclosure Program

BEFORE THE GOVERNING BOARD OF THE PITTSBURG POWER COMPANY
OF THE CITY OF PITTSBURG

In the Matter of:

Approving the 2025 Annual Power)
Source Disclosure Report to the)
California Energy Commission)

RESOLUTION NO. 26-

WHEREAS, the Pittsburg Power Company ("PPC"), a Joint Powers Authority, provides electricity and natural gas retail service at Mare Island, Vallejo in the name of Island Energy ("IE"); and

WHEREAS, State law and regulations require all retail suppliers of electricity products to file an annual report with the California Energy Commission (CEC) to disclose resources or fuel types of power procured and sold to end use customers, and attest that electricity was sold only once to retail customers; and

WHEREAS, PPC, in compliance with the State law (Public Utilities Code 398.1(b)), is disclosing the sources of its energy procurement and sales to its end users on Mare Island, Vallejo; and

WHEREAS, PPC submitted the 2025 Power Source Disclosure (PSD) report with CEC on 5/28/2026, and CEC has accepted the report; and

WHEREAS, the CEC regulations authorize a public agency electric retail provider that offers only one electricity product to approve submission of an attestation of the veracity of the annual report, in lieu of a requirement to provide a report from an auditor.

NOW, THEREFORE, BE IT RESOLVED that the Governing Board of the Pittsburg Power Company (the Board) hereby approves the 2025 PSD Report and attests to the veracity of said report.

BE IT FURTHER RESOLVED that the Board attests that the energy procured by Island Energy was sold once and only once to end-use customers on Mare Island, Vallejo.

PASSED AND ADOPTED by Governing Board of the Pittsburg Power Company of the City of Pittsburg at a regular meeting on the 17th day of August 2026, by the following votes:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dionne Adams, Chair

ATTEST:

Darin E. Gale, Executive Secretary

2025 POWER SOURCE DISCLOSURE ANNUAL REPORT

For the Year Ending December 31, 2025

GENERAL INSTRUCTIONS

Retail suppliers are required to use the posted template and are not allowed to make edits to this format.

Please complete the Retail Supplier Name and contact information in column B below.

RETAIL SUPPLIER NAME	Pittsburg Power Company
CONTACT INFORMATION	
NAME	Vanessa Xie
TITLE	General Manager
MAILING ADDRESS	995 Walnut Ave.
CITY, STATE, ZIP	Vallejo, CA 94592
PHONE	925-252-4097
EMAIL	Vxie@Pittsburgca.gov
WEBSITE URL FOR PCL POSTING	https://www.islandenergy.com/

Submit the Annual Report and signed Attestation in PDF format with the Excel version of the Annual Report to PSDprogram@energy.ca.gov.

NOTE: Information submitted in this report is not automatically held confidential. If your company wishes the information submitted to be considered confidential an authorized representative must submit an application for confidential designation (CEC-13), which can be found on the

[California Energy Commission's website.](#)

If you have questions, contact Power Source Disclosure (PSD) staff at PSDprogram@energy.ca.gov or (916) 639-0573.

Version: April 2026

Facility Name	Fuel Type	State or Province	WREGIS ID of REC Source	RPS ID of REC Source	EIA ID of Delivered Energy	Loss Factor	Gross MWhs Procured	Specified Resales MWhs	Net MWhs Procured
Folsom Powerplant-Folsom Unit 1	Large Hydroelectric	CA	W1156	N/A	441	0.044	521	521	521
Folsom Powerplant-Folsom Unit 2	Large Hydroelectric	CA	W1157	N/A	441	0.044	110	110	110
Folsom Powerplant-Folsom Unit 3	Large Hydroelectric	CA	W1158	N/A	441	0.044	550	550	550
New Melones Powerplant-New Melones Unit 1	Large Hydroelectric	CA	W1159	N/A	6158	0.044	668	668	668
New Melones Powerplant-New Melones Unit 2	Large Hydroelectric	CA	W1160	N/A	6158	0.044	9	9	9
O'Neill Powerplant-O'Neill (3)	Large Hydroelectric	CA	W1167	N/A	446	0.044	5	5	5
Gianelli Powerplant-Gianelli (2)	Large Hydroelectric	CA	W1288	N/A	448	0.044	238	238	238
Gianelli Powerplant-Gianelli (6)	Large Hydroelectric	CA	W1162	N/A	448	0.044	63	63	63
J.F.Carr Powerplant-J.F. Carr Unit 1	Large Hydroelectric	CA	W1163	N/A	442	0.044	625	625	625
J.F.Carr Powerplant-J.F. Carr Unit 2	Large Hydroelectric	CA	W1164	N/A	442	0.044	141	141	141
Keswick Powerplant-Keswick Powerplant (3)	Large Hydroelectric	CA	W1165	N/A	443	0.044	952	952	952
Shasta Powerplant-Shasta Unit 1	Large Hydroelectric	CA	W1168	N/A	445	0.044	1,047	1,047	1,047
Shasta Powerplant-Shasta Unit 2	Large Hydroelectric	CA	W1169	N/A	445	0.044	997	997	997
Shasta Powerplant-Shasta Unit 3	Large Hydroelectric	CA	W1170	N/A	445	0.044	1,338	1,338	1,338
Shasta Powerplant-Shasta Unit 4	Large Hydroelectric	CA	W1171	N/A	445	0.044	1,299	1,299	1,299
Shasta Powerplant-Shasta Unit 5	Large Hydroelectric	CA	W1172	N/A	445	0.044	893	893	893
Sirring Creek Powerplant-Unit 1	Large Hydroelectric	CA	W1173	N/A	450	0.044	-	-	-
Sirring Creek Powerplant-Unit 2	Large Hydroelectric	CA	W1174	N/A	450	0.044	890	890	890
Trinity Power Plant-Trinity Unit 1	Large Hydroelectric	CA	W1175	N/A	451	0.044	708	708	708
Trinity Power Plant-Trinity Unit 2	Large Hydroelectric	CA	W1176	N/A	451	0.044	615	615	615
Nimbus Powerplant-Nimbus Plant(2)	Eligible Hydroelectric	CA	W1161		444	0.044	153	153	153
Stampede Powerplant-Stampede (2)	Eligible Hydroelectric	CA	W1177		7066	0.044	19	19	19
Lewisston Powerplant - Lewisston	Eligible Hydroelectric	CA	W1108		977	0.044	4	4	4
Whitney Point Solar, LLC	Solar	CA	WS441	61186A	60975	0.044	6,760	6,760	6,760
O'Neill Powerplant-O'Neill (all 3)	Large Hydroelectric	CA	W1186	N/A	446	0.044	2	2	2

Emissions, Power Sources, Unbundled RECs	Electricity Retail Sales
Retail Sales and Loss-Adjusted Load	23,260
GHG Emissions Intensity (lbs CO₂e/MWh)	189
■ Renewables and Zero-Carbon Resources	80%
■ Fossil Fuels	20%
Biomass & Biogas	0%
Geothermal	0%
Eligible Hydroelectric	1%
Solar	29%
Wind	0%
RPS Eligible Renewables - Subtotal	30%
Large Hydroelectric	50%
Nuclear	0%
Emerging Technologies	0%
Other	0%
Natural Gas	0%
Coal & Petroleum	0%
Unspecified Power - Total	20%
Retail Sales Covered by Retired Unbundled RECs	0%

Secondary Losses Adjustment Calculator

Generator-based loss factor	0.04
Loss factor w/secondary losses	0.0417

Calculation of Default Loss Factors

2024 EIA 861 Energy Disposition Breakdown	MWh and Loss %
In-state generation	214,191,383
Imports	59,469,653
Total Supply	273,661,036
Estimated Losses (in-state)	11,465,052
In-state loss %	4.19%
Out of state loss % (+.02)	6.19%

Default in-state loss factor for total supply	0.0419
In-state generation matched to load	205,217,817
Default loss factor applied to load-matched in-state resources	0.0437

Default import loss factor for total supply	0.0619
Imported generation matched to load	55,788,774
Default loss factor applied to load-matched out-of-state resources	0.0660

**2025 POWER SOURCE DISCLOSURE ANNUAL REPORT
ATTESTATION FORM**

For the Year Ending December 31, 2025

Pittsburg Power Company

I, [print name] Vanessa Xie,
[title] General Manager, declare under penalty of perjury, that the information provided in this
report is true and correct and that I, as an authorized agent of [retail supplier],
Pittsburg Power Company, have authority to submit this report on the retail supplier's behalf. I
further declare that all of the electricity claimed as specified purchases as shown in this report was sold
once and only once to retail customers.

Name: Vanessa Xie

Representing (Retail Supplier): Pittsburg Power Company

Signature: Vanessa Xie

Dated: 5/28/2026

Executed at: 995 Walnut Ave. Pittsburg CA 94592



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Chair and Governing Board Members

FROM: Darin E. Gale, Executive Director
Jordan Davis, Director of Community & Economic Development
Marlee Nunez, Financial Analyst

SUBJECT: Adoption of a Pittsburg Power Resolution Authorizing Pittsburg Power Company to Accept a BMO Irrevocable Letter of Credit and its Amendment No. 1 for the Alteration/Installation of Utility Facilities Agreement between PPC and ALCO Iron and Metals

EXECUTIVE SUMMARY

Pittsburg Power Company (PPC) Resolution 26-498 executed the first amendment to the Agreement of Alteration/Installation of Utility Facilities (Agreement) dated December 27, 2022 between PPC and ALCO Iron and Metals (ALCO), reducing the original loan amount from \$350,000 to \$265,000 based on pay back of principal. PPC requested an updated irrevocable Letter of Credit (LOC) from BMO Bank, ALCO's new banking institution, and amendments to guarantee automatic annual renewal of the LOC for successive periods and an extended expiration date to cover the full repayment period of the loan (Amendment No. 1).

FISCAL IMPACT

There is no fiscal impact to the PPC Enterprise Fund 590. The revised LOC fully secures the remaining principal balance owed to PPC under the Agreement.

RECOMMENDATION

Staff recommend the Governing Board of the Pittsburg Power Company adopt a resolution authorizing the acceptance of ALCO's revised LOC in the amount of \$265,000, including Amendment No. 1 issued by BMO Bank.

BACKGROUND

On December 27, 2022, PPC and ALCO executed an Agreement for the Alteration/Installation of Utility Facilities on Mare Island. Exhibit C of the Agreement included an estimated project cost and loan amount of \$350,000.

Consistent with Section 2.2.3, ALCO provided PPC with a \$350,000 LOC issued by Bank of America to secure repayment of the borrowed amount. ALCO has made, and continues to make, required monthly payments to PPC, which has reduced the remaining principal owed to less than \$265,000.

ALCO recently transitioned its banking services from Bank of America to BMO Bank. To maintain compliance with the Agreement and ensure uninterrupted security for PPC, ALCO has provided a replacement LOC from BMO Bank in the amount of \$265,000.

Upon further review, PPC requested the LOC be amended to extend the final expiration date to May 2033 to cover the full expected loan repayment period, and to add language for successive periods of automatic extensions in the evergreen clause of the letter.

SUBCOMMITTEE FINDINGS

The reissued LOC and amendments have not been presented to the Pittsburg Power Subcommittee.

STAFF ANALYSIS

The Agreement requires ALCO to maintain an irrevocable LOC securing repayment of the loan. ALCO's transition to BMO Bank prompted the necessity for reissuing an updated LOC. The new LOC amount of \$265,000 corresponds to the remaining principal balance and maintains full security for PPC.

PPC requested ALCO to amend the LOC to extend the final expiration date from January 2033 to May 2033 and to clarify the letter's automatic extensions are for successive periods of one year each. ALCO and BMO Bank have provided the requested amendments to the LOC issued as Amendment No. 1.

Staff recommend the Board to adopt the BMO irrevocable Standby Letter of Credit No. HACH3023105OS and its Amendment No.1 to ensure PPC retains appropriate financial protection through a valid, fully compliant LOC from ALCO's current bank. including all requested amendments, and confirm ALCO's continued compliance with the terms of the Agreement. Upon acceptance of the amended LOC issued by BMO Bank, PPC will proceed with canceling the original LOC issued by Bank of America.

ATTACHMENTS: Resolution

ALCO Letter of Credit from BMO Bank

ALCO Letter of Credit Amendment No. 1 from BMO Bank

BEFORE THE GOVERNING BOARD OF THE PITTSBURG POWER COMPANY
OF THE CITY OF PITTSBURG

In the Matter of:

Authorizing the Executive Director)
To Accept a Revised Letter of Credit)
With Amendments from ALCO Iron)
And Metal Company)

RESOLUTION NO. 26-

WHEREAS, Pittsburg Power Company (PPC), a joint powers authority, and ALCO Iron and Metal Company (ALCO), a California corporation, entered into an Agreement for the Alteration/Installation of Utility Facilities (Agreement) dated December 27, 2022; and

WHEREAS, under the Agreement, PPC loaned ALCO Three Hundred Fifty Thousand dollars (\$350,000) based on the estimated project cost set forth in Exhibit C, Article 4; and

WHEREAS, ALCO provided PPC with a Three Hundred Fifty Thousand dollar (\$350,000) Letter of Credit (LOC) issued by Bank of America to secure repayment of the borrowed amount as required under the Agreement; and

WHEREAS, ALCO has made, and continues to make, monthly payments on the borrowed amount to PPC in accordance with the revised loan repayment schedule; and

WHEREAS, ALCO has recently transferred its banking services from Bank of America to BMO Bank and has provided PPC with a reissued LOC in the amount of Two Hundred Sixty-Five Thousand dollars (\$265,000) to guarantee reimbursement for the remaining principal balance of the borrowed amount; and

WHEREAS, PPC requested ALCO to amend the LOC to extend the final expiration date from January 2033 to May 2033 and to clarify the letter's automatic extensions are for successive periods of one year each; and

WHEREAS, ALCO and BMO Bank have provided the requested amendments to the LOC issued as Amendment No. 1.

NOW, THEREFORE, BE IT RESOLVED, that the Governing Board of the Pittsburg Power Company hereby authorizes the Executive Director to accept ALCO's reissued LOC in the amount of Two Hundred Sixty-Five Thousand dollars (\$265,000), including Amendment No. 1 issued by BMO Bank.

PASSED AND ADOPTED by Governing Board of the Pittsburg Power Company of the City of Pittsburg at a regular meeting on the 17th day of August 2026, by the following votes:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dionne Adams, Chair

ATTEST:

Darin E. Gale, Executive Secretary



BMO Bank N.A.

C/O Bank of Montreal
250 Yonge Street, 11th Floor
Toronto, Ontario M5B 2L7
Tel: 1-877-801-0414
Fax: 1-877-801-7787
SWIFT: HATRUS44

13300 Crossroads Parkway North | SC-XRD-2W-G
City of Industry, CA 91746-3417
Tel: 1-888-600-8723
SWIFT: HATRUS44

Irrevocable Standby Letter of Credit No.: HACH3023105OS

ISSUE DATE: APRIL 27, 2026

BENEFICIARY:
PITTSBURG POWER COMPANY
A JOINT POWERS AGENCY
995 WALNUT AVENUE
VALLEJO, CA 94592

APPLICANT:
ALCO IRON AND METAL CO
2140 DAVIS ST
SAN LEANDRO, CA 94577

EXPIRY DATE: APRIL 27, 2027 AT OUR COUNTERS

AMOUNT: USD \$ 265,000.00 (TWO HUNDRED SIXTY-FIVE THOUSAND AND 00/100 UNITED STATES DOLLAR)

WE HEREBY ISSUE THIS IRREVOCABLE LETTER OF CREDIT NO. HACH3023105OS IN YOUR FAVOR, FOR THE ACCOUNT OF APPLICANT, FOR UP TO AN AGGREGATE AMOUNT OF USD 265,000.00 AVAILABLE BY YOUR DRAFT(S) DRAWN ON US AT SIGHT, ACCOMPANIED BY THE FOLLOWING:

1. THE ORIGINAL LETTER OF CREDIT AND ALL AMENDMENTS THERETO, IF ANY.
2. A DATED STATEMENT SIGNED BY AN AUTHORIZED SIGNATORY OF THE BENEFICIARY ON BENEFICIARY'S LETTERHEAD READING AS FOLLOWS:

QUOTE

PITTSBURG POWER COMPANY REPRESENTS AND WARRANTS THAT THE APPLICANT, ALCO IRON & METAL COMPANY, HAS NOT PAID CERTAIN INVOICED AMOUNTS DUE UNDER THE AGREEMENT FOR THE ALTERATION/INSTALLATION OF UTILITY FACILITIES FOR APPLICANT'S VALLEJO FACILITY. PAYMENT IS OVER 30 DAYS LATE AND APPLICANT IS IN DEFAULT OF THE AGREEMENT, SO PITTSBURG POWER COMPANY IS HEREBY DRAWING UPON THE LETTER OF CREDIT FOR THE AMOUNTS OWED.

UNQUOTE

PARTIAL DRAWINGS AND MULTIPLE PRESENTATIONS ARE PERMITTED.



BMO Bank N.A.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT IS DEEMED TO BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR PERIOD(S) OF ONE YEAR EACH FROM THE CURRENT EXPIRY DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO ANY EXPIRATION DATE, WE NOTIFY YOU BY REGISTERED MAIL OR OVERNIGHT COURIER AT THE ABOVE LISTED ADDRESS THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT EXTENDED FOR ANY SUCH ADDITIONAL PERIOD.

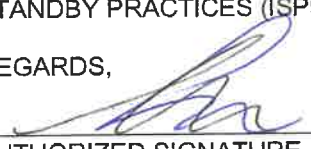
ANY SUCH NOTICE SHALL BE EFFECTIVE WHEN SENT BY US AND UPON SUCH NOTICE TO YOU, YOU MAY DRAW AT ANY TIME PRIOR TO THE THEN CURRENT EXPIRATION DATE, UP TO THE FULL AMOUNT THEN AVAILABLE HEREUNDER, AGAINST YOUR DRAFT(S) DRAWN ON US AT SIGHT AND THE ORIGINAL OF THIS LETTER OF CREDIT AND ALL AMENDMENTS THERETO, ACCOMPANIED BY YOUR STATEMENT, SIGNED BY AN AUTHORIZED SIGNATORY, ON YOUR LETTERHEAD STATING THAT YOU ARE IN RECEIPT OF BMO BANK, N.A.'S NOTICE OF NON EXTENSION UNDER LETTER OF CREDIT NO. HACH30231050S AND THE APPLICANT'S OBLIGATION TO YOU REMAINS.

HOWEVER, IN NO EVENT SHALL THIS LETTER OF CREDIT EXTEND BEYOND THE FINAL EXPIRATION DATE OF JANUARY 01, 2033.

DRAFT(S) MUST STATE: "DRAWN UNDER BMO BANK, N.A. STANDBY LETTER OF CREDIT NO. HACH30231050S DATED APRIL 27, 2026 "

PRESENTATION OF SUCH DRAFT(S) AND DOCUMENT(S) MAY BE MADE AT OUR OFFICE LOCATED AT BMO BANK N.A, 13300 CROSSROADS PARKWAY NORTH, CITY OF INDUSTRY, CA 91764 BY OVERNIGHT COURIER, OR BY TELECOPY TO FACSIMILE NO. 323-727-6405. IF PRESENTED BY FAX, DOCUMENTS ARE NOT REQUIRED TO BE SENT BY COURIER. THIS CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES (ISP98), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590.

REGARDS,



AUTHORIZED SIGNATURE



BMO Bank N.A.

C/O Bank of Montreal
250 Yonge Street, 11th Floor
Toronto, Ontario M5B 2L7
Tel: 1-877-801-0414
Fax: 1-877-801-7787
SWIFT: HATRUS44

13300 Crossroads Parkway North | SC-XRD-2W-G
City of Industry, CA 91746-3417
Tel: 1-888-600-8723
SWIFT: HATRUS44

Irrevocable Standby Letter of Credit No. HACH3023105OS

Amendment no. 1
Dated July 17, 2026

Beneficiary:
PITTSBURG POWER COMPANY A JOINT
POWERS AGENCY
995 WALNUT AVENUE
VALLEJO, CA 94592 United States

Applicant:
ALCO IRON & METAL CO
2140 DAVIS ST
SAN LEANDRO, CA 94577 United States

We amend our Standby Letter of Credit subject to the following terms and conditions. This amendment forms an integral part of the original instrument. All other terms and conditions remain unchanged.

Amended Terms:

FINAL EXPIRY DATE HAS EXTENDED TO MAY 1, 2033

The following term and condition is hereby changed to the credit:

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT IS DEEMED TO BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR SUCCESSIVE PERIOD(S) OF ONE YEAR EACH FROM THE CURRENT EXPIRY DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO ANY EXPIRATION DATE, WE NOTIFY YOU BY REGISTERED MAIL OR OVERNIGHT COURIER AT THE ABOVE LISTED ADDRESS THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT EXTENDED FOR ANY SUCH ADDITIONAL PERIOD.

Unless otherwise instructed herein, all correspondence and inquiries regarding this transaction should be directed to our Customer Service Center at the above address, telephone: as indicated. Please indicate our reference number in all your correspondence or telephone inquiries.

Regards,

Authorized Signature(s)



STAFF REPORT

MEETING DATE: August 17, 2026

TO: Mayor and Council Members

FROM: Darin E. Gale, City Manager
John Samuelson, Director of Public Works /City Engineer
April Chamberlain, Administrative Analyst II

SUBJECT: Adoption of a City Council Resolution Authorizing the City Manager to Execute an Agreement with Revel Environmental Manufacturing, Inc., for the Maintenance of Citywide Full Trash Capture Devices

EXECUTIVE SUMMARY

The City is required, under Provision C.10 of the National Pollutant Discharge Elimination System (NPDES) Municipal Regional Stormwater Permit, to reduce trash loads originating from medium to very high trash-generating areas. This is achieved through the installation and ongoing maintenance of full trash capture devices at storm drain inlets. This action authorizes the execution of a Consulting Services Agreement (Agreement) with Revel Environmental Manufacturing, Inc. to perform the required annual maintenance for the City's 418 installed full trash capture devices for Fiscal Year (FY) 2026/27.

FISCAL IMPACT

The total cost of maintenance of the full trash capture devices for FY 2026/27 is \$105,637, funded by NPDES funds (Fund 207). These funds are included in the approved operating budget and no additional funds are requested.

RECOMMENDATION

City Council adopt the attached Resolution authorizing execution of an Agreement with Revel Environmental Manufacturing, Inc. for an amount not to exceed \$105,637 dollars.

BACKGROUND

The City's NPDES Stormwater Permit requires ongoing reduction of trash discharges from the Municipal Separate Storm Sewer System (MS4) to receiving waters. Installation and proper maintenance of full trash capture devices in medium and high trash-generation areas are critical to achieving the required 100 percent trash load reduction requirement.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

STAFF ANALYSIS

To comply with the 100 percent trash load reduction requirement, the City must ensure that areas generating moderate to very high amounts of trash, and which drain to City-owned storm drain inlets, are equipped with full trash capture systems or are managed with equivalent trash-reduction measures. All installed devices require annual maintenance to continue functioning effectively. The proposed Agreement will provide the maintenance necessary to remain in compliance with the NPDES Permit.

ATTACHMENTS: Resolution

Exhibit I — Revel Environmental Manufacturing, Inc. Agreement

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter Of:

Authorizing City Manager to Execute Agreement)
With Revel Environmental Manufacturing, Inc. for)
The Maintenance of Citywide Full Trash Capture)
Devices)

RESOLUTION NO. 26-

WHEREAS, the City of Pittsburg's Clean Water Program is responsible for complying with the California Regional Water Quality Control Board San Francisco Bay Region Municipal Regional Stormwater National Pollutant Discharge Elimination System (NPDES) Permit Order No. R2-2022-0018 and Permit No. CAS612008; and

WHEREAS, Provision C.10 of the NPDES Municipal Regional Stormwater Permit, requires municipalities to reduce trash loads discharged from medium to very high trash-generating areas; and

WHEREAS, Provision C.10, effective May 1, 2022, establishes mandatory requirements for installation and annual maintenance of full trash capture systems; and

WHEREAS, the City has installed 418 full trash capture devices in storm drain inlets throughout the medium to very high trash generation areas as one of the primary methods to meet the permit requirement of achieving 100 percent trash load reduction to the San Francisco Bay; and

WHEREAS, On June 3, 2026, the City received a proposal for the required maintenance of the City's full trash capture devices from Revel Environmental Manufacturing, Inc. ensuring proper functionality and adherence to NPDES Permit regulations; and

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Pittsburg authorizes the City Manager to execute a Consulting Services Agreement with Revel Environmental Manufacturing, Inc. for maintenance of the City's full trash capture devices, for an amount not to exceed \$105,637.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on August 17, 2026 by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dionne Adams, Mayor

ATTEST:

Alice E. Evenson, City Clerk

**CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF PITTSBURG AND
REVEL ENVIRONMENTAL MANUFACTURING INC.**

THIS Agreement ("Agreement") for consulting services is made by and between the City of Pittsburgh ("City") and Revel Environmental Manufacturing, Inc, a California corporation ("Consultant") (together referred to as the "Parties") as of August 17, 2026 (the "Effective Date").

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A, and incorporated herein, at the time and place and in the manner specified therein.

- 1.1 Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on June 30, 2027 or the date the Consultant completes the services specified in Exhibit A, whichever occurs first, unless the term of the Agreement is otherwise terminated or extended, as referenced herein.
- 1.2 Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, requests in writing the reassignment of any such persons to ensure Consultant performs services in accordance with the Standard of Performance, Consultant shall, immediately upon receiving City's request, reassign such persons.
- 1.4 Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided herein above and to satisfy Consultant's obligations hereunder.

Section 2. COMPENSATION. City hereby agrees to pay Consultant a sum not to exceed One hundred and five thousand, six hundred and thirty-seven dollars (\$105,637), as set forth in Exhibit B, attached hereto and incorporated herein for services to be performed and reimbursable expenses incurred under this Agreement. This dollar amount is not a guarantee that the City will pay that full amount to the Consultant, but is merely a limit of potential City expenditures under this Agreement.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information, unless waived by the City Manager, or his or her designee:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder;
- The Consultant's signature.

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall pay undisputed invoices that comply with the above requirements within 30 days from the receipt of the invoice.

2.3 Final Payment. Consultant shall submit its final invoice within 60 days of completing its services. Consultant's failure to submit its final invoice within this 60 day period shall constitute Consultant's waiver of any further billings to, or payments from, City.

2.4 Reimbursable Expenses. Reimbursable expenses, if any, are specified in Exhibit B and included in the total compensation referenced in Section

2. Expenses not listed in Exhibit B are not chargeable to, or reimbursable by, City.

2.5 Payment of Taxes. Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.6 Authorization to Perform Services. The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of a written authorization from the City Manager, or his or her designee.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement

Section 4. INSURANCE REQUIREMENTS. Before beginning any services under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance specified herein and maintain that insurance throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid or proposal. Consultant shall be fully responsible for the acts and omissions of its subcontractors or other agents.

4.1 Workers' Compensation. Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant in the amount required by applicable law. The requirement to maintain Statutory Workers' Compensation and Employer's Liability Insurance may be waived by the City upon written verification that Consultant is a sole proprietor and does not have any employees and will not have any employees during the term of this Agreement.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 General requirements. Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than \$2,000,000 per occurrence and \$4,000,000 aggregate, combined single limit coverage for risks associated with the work contemplated by this Agreement.

4.2.2 Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis.

Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition) covering any auto (Code 1), or if Consultant has no owned autos, hired (code 8) and non-owned autos (Code 9). No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

- a. The Commercial General and Automobile Liability Insurance shall cover on an occurrence basis.
- b. City, its officers, officials, employees, agents, and volunteers shall be covered as additional insureds for liability arising out of work or operations on behalf of the Consultant, including materials, parts, or equipment furnished in connection with such work or operations; or automobiles owned, leased, hired, or borrowed by the Consultant. Coverage can be provided in the form of an endorsement to the Consultant's insurance at least as broad as CG 20 10 11 85, or both CG 20 10 10 01 and CG 20 37 10 01.
- c. For any claims related to this Agreement or the work hereunder, the Consultant's insurance covered shall be primary insurance as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and non-contributing.
- d. The policy shall cover inter-insured suits and include a "separation of Insureds" or "severability" clause which treats each insured separately.
- e. Consultant agrees to give at least 30 days prior written notice to City before coverage is canceled or modified as to scope or amount.

4.3 Professional Liability Insurance.

4.3.1 General requirements. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than

\$1,000,000 per occurrence or claim covering the Consultant's errors and omissions.

4.3.2 Claims-made limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must purchase an extended period coverage for a minimum of five (5) years after completion of work under this Agreement.
- d. A copy of the claim reporting requirements must be submitted to the City for review prior to the commencement of any work under this Agreement.

4.4 All Policies Requirements.

4.4.1 Submittal Requirements. Consultant shall submit the following to City prior to beginning services:

- a. Certificate of Liability Insurance in the amounts specified in this Agreement; and
- b. Additional Insured Endorsement as required for the General Commercial and Automobile Liability Policies.

4.4.2 Acceptability of Insurers. All insurance required by this Agreement is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.3 Deductibles and Self-Insured Retentions. Insurance obtained by the Consultant shall have a self-insured retention or deductible of no more than \$100,000.

4.4.4 Wasting Policies. No policy required herein shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).

4.4.5 Waiver of Subrogation. Consultant hereby agrees to waive subrogation which any insurer or contractor may require from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents, and subcontractors.

4.4.6 Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein, and Consultant shall ensure that City, its officers, officials, employees, agents, and volunteers are covered as additional insured on all coverages.

4.4.7 Excess Insurance. If Consultant maintains higher insurance limits than the minimums specified herein, City shall be entitled to coverage for the higher limits maintained by the Consultant.

4.5 Remedies. In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option: 1) obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement; 2) order Consultant to stop work under this Agreement and withhold any payment that becomes due to Consultant hereunder until Consultant demonstrates compliance with the requirements hereof; and/or 3) terminate this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

5.1 General Requirement. To the fullest extent permitted by law, Consultant shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, officials, employees, agents and volunteers (collectively, "Indemnitees") from and against any and all liability, loss, damage, claims, expenses, and costs, including without limitation, attorney's fees, costs and fees of litigation, (collectively, "Liability") of every nature arising out of or in connection with Consultant's performance of the services under this Agreement, or its failure to comply with any of its obligations contained in this Agreement, or its failure to comply with any

applicable law or regulation, except such Liability caused by the sole negligence or willful misconduct of City.

Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damage or claims for damages whether or not such insurance policies shall be determined to apply.

- 5.2 PERS Indemnification.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City.
- 6.2 Consultant Not an Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder. Consultant shall also, to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates as determined by the California Department of Industrial Relations.
- 7.3 Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have, and

will maintain at their sole cost and expense, all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from City.

- 7.4 Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, genetic information, marital status, sex, sexual orientation, gender or gender identity, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** Upon ten days' prior written notice, City may cancel this Agreement at any time and without cause upon such written notification to Consultant. In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.
- 8.2 Amendments.** The parties may amend this Agreement only by a writing signed by the parties hereto.
- 8.3 Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the City Manager, or his or her designee. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the

subcontractors noted in the proposal, without prior written approval of the City Manager, or his or her designee.

8.4 Survival. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant, including but not limited to the provisions of Section 5, shall survive the termination of this Agreement.

8.5 Options upon Breach by Consultant. If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:

8.5.1 Immediately terminate the Agreement;

8.5.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

8.5.3 Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or

8.5.4 Charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

8.5.5 The remedies mentioned in this Agreement are not exclusive of any other right, power or remedy permitted by law. The City's failure or delay in exercising any remedy shall not constitute a waiver of such remedy or preclude the further exercise of City's rights.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Consultant's Performance. All final versions of reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement, and the City may use, reuse or otherwise dispose of the documents without Consultant's permission. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily

suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential drafts and will not be released to third parties by Consultant without prior written approval of City.

- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. All such records shall be maintained in accordance with generally accepted accounting principles and shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Pursuant to Government Code Section 8546.7, the Agreement may be subject to the examination and audit of the State Auditor for a period of 3 years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in Contra Costa County or in the United States District Court for the Northern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.

- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a “conflict of interest,” as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

- 10.7 Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

- 10.8 Notices.** Any notice, demand, request, consent or approval that either party is required to give the other pursuant to this Agreement, shall be in writing and may be given by either (i) personal service, or (ii) certified United States mail, postage prepaid, return receipt requested. Notice shall be effective upon personal delivery or delivery to the addresses specified below, as reflected on the receipt of delivery or return receipt, as applicable.

Consultant : Revel Environmental Manufacturing, Inc.
960- B Detroit Avenue
Concord, CA 94518
ATTN: Marcel Sloane

City: City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565
ATTN: City Manager

- 10.9 Professional Seal.** Where applicable in the determination of the City Manager, or his or her designee, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled “Seal and Signature of Registered Professional with report/design responsibility.”

- 10.10 Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibits A and B represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.

To the extent there are any inconsistencies between this Agreement, the Exhibits, and Consultant's proposal, the Agreement shall control. To the extent there are any inconsistencies between the Exhibits and the Consultant's Proposal, the Exhibits shall control.

Exhibit A Scope of Services
Exhibit B Compensation Schedule

10.11 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

10.12 Construction of Agreement. Each party hereto has had an equivalent opportunity to participate in the drafting of the agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

10.13 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any third parties.

The Parties have executed this Agreement as of the Effective Date.

CITY OF PITTSBURG

REVEL ENVIRONMENTAL MANUFACTURING, INC

Darin Gale, City Manager

DocuSigned by:
Marcel Sloane

C6866D8ACD4C478...
Marcel Sloane, Regional Manager

Approved as to Form:

Signed by:
[Signature]

16DDA4CD88BB41E...
Donna Mooney, City Attorney

EXHIBIT A

SCOPE OF SERVICES

Consultant shall provide maintenance services for all 418 City of Pittsburg public right-of-way Trash Capture (TC) devices.

Maintenance will include:

- Removal and disposal of all captured debris and material in accordance with all laws and regulations. Debris will be disposed of at Class II Hazardous Materials Facility.
- Vacuum and power-wash device at each maintenance event
- Inspect each device for proper system operation
- Replace and recharge BFTG filter media as necessary
- Attach a bright yellow, dated, REM Service Lock-out Tag to each catch basin/ trash capture device after the maintenance event is completed.
- Provide trash capture maintenance report
- Consultant shall archive and keep maintenance reports for future reference.

EXHIBIT B
COMPENSATION SCHEDULE

Not to exceed \$105,637.00

Unit Type	Quantity	Yearly Frequency	Yearly Quarters	Price Per Occurrence	Annual Total
Catch Basin Filter	418	3	1, 3, 4	\$32,604.00	\$97,812.00
Dated Lock-out Service Tags					Included
REM Service Reporting and Documentation (Archived for tracking & municipal reporting)					Included
Annual Fuel Charge: 8%					\$7,824.96
TOTAL ANNUAL COST					\$105,636.96

CERTIFICATE OF COMPLIANCE WITH LABOR CODE § 3700

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

Revel Environmental Manufacturing, Inc.

DocuSigned by:
Marcel Sloane
By: C00C0D0ACD4C476...
Title: Regional Manager