AGENDA

REGULAR MEETING
CYPRESS CITY COUNCIL
September 8, 2026
5:30 P.M. - Closed Session
6:00 P.M. - General Session

www.cypressca.org

5275 Orange Avenue
Cypress, California

Individuals interested in speaking at a City Council meeting may find participation instructions on the last page of the agenda.

CALL TO ORDER

5:30 P.M.
City Council Chambers

ROLL CALL

Cypress City Council, also acting as the Ex-Officio Governing Board of Directors of the Cypress Recreation and Park District

Mayor Leo Medrano
Mayor Pro Tem Kyle Chang
Council Member Bonnie Peat
Council Member David Burke
Council Member Rachel Strong Carnahan

ORAL COMMUNICATIONS ON CLOSED SESSION

This portion of the meeting is set aside for public comments regarding matters listed under closed session. The City Council cannot discuss or take action on matters not on the agenda during this time however Council members may provide brief responses. Please complete a speaker's card to address the City Council in-person. Please follow the instructions at the end of the agenda and wait for the Mayor or City Clerk to call on you to address the City Council virtually. Speakers providing in-person comments will be called first. Time allotted for public comment is three minutes.

CLOSED SESSION

Conference with Labor Negotiator
Pursuant to Government Code § 54957.6
Agency Negotiators: Shannon DeLong, City Manager and Stephanie Sikkema, Director of Finance and Administrative Services
Employee Groups: Cypress Employees' Association, Maintenance Employees' Association, Police Officers' Association, Police Management Association and Unrepresented Employees.

Conference with Legal Counsel – Anticipated Litigation
A closed session will be held, pursuant to Government Code §54956.9 (d)(2), because there is a significant exposure to litigation in two cases.

RECONVENE

6:00 P.M.
Council Chambers

ROLL CALL

Cypress City Council, also acting as the Ex-Officio Governing Board of Directors of the Cypress Recreation and Park District

Mayor Leo Medrano
Mayor Pro Tem Kyle Chang
Council Member Bonnie Peat
Council Member David Burke
Council Member Rachel Strong Carnahan

INVOCATION

Deacon Vernon Atwood, St. Irenaeus

PLEDGE OF ALLEGIANCE

The pledge of allegiance will be led by a member of the City Council.

REPORT OF CLOSED SESSION

The City Attorney will announce reportable actions(s).

PRESENTATIONS

Proclamation Recognizing Hunger Action Month presented to Mark Lowry, Director of the Orange County Food Bank

ORAL COMMUNICATIONS ON AGENDA ITEMS

This portion of the meeting is set aside for public comments regarding any matter within the jurisdiction of the City Council. Comments on non-agenda items will be heard at this time. Comments related to a specific agenda item will be heard following the staff report for that item and prior to the City Council action, unless the speaker prefers to make the comment during the general public comment period. The City Council cannot discuss or take action on matters not on the agenda for this meeting, but Council members may provide brief responses. Please complete a Speaker's Card to address the City Council in-person. Please follow the instructions at the end of the agenda and wait for the Mayor or City Clerk to call on you to address the City Council virtually. Speakers providing in-person comments will be called first. Time allotted for public comment (subject to change by the presiding officer).

General Public Comment (not on agenda):	3 minutes
Consent Calendar (any or all items):	3 minutes
Agenda Items (not on consent calendar):	3 minutes per item

CONSENT CALENDAR (Items No. 1-8)

All matters listed on the Consent Calendar are to be approved with one motion unless a Council Member requests separate action on a specific item. Council Members voting no or abstaining on a Consent Calendar item may do so without removing the item from the Consent Calendar.

1. Adopt a Resolution to Amend the City's Conflict of Interest Code

Prepared by: Lisa Berglund, City Clerk

Recommendation: Adopt a Resolution amending the Conflict of Interest Code for the City and Recreation and Park District, which supersedes all prior Conflict of Interest Codes and amendments previously adopted.

2. Receive and File a Report of the August 26, 2026, Strategic Plan Workshop

Prepared by: Jason Machado, Assistant to the City Manager

Recommendation: Receive and file a report of the August 26, 2026, Strategic Plan Workshop.

3. Approve the Purchase of Two Replacement Police Motorcycles

Prepared by: Mark Lauderback, Chief of Police

Recommendation:
1. Approve the purchase of two police motorcycles for an amount not to exceed $72,886 utilizing the City of Santa Ana Invitation for Bids No. 26-050; and

2. Adopt a resolution approving a budget amendment for the fiscal year commencing July 1, 2026, and ending June 30, 2027.

4. Adopt Resolutions Establishing Benefits for Executive Management and Mid-Management Employees

Prepared by: Stephanie Sikkema, Director of Finance and Administrative Services

Recommendation:
1. Adopt a Resolution establishing the Schedule of Benefits for Executive Management employees;

2. Adopt a Resolution establishing the Schedule of Benefits for Mid-Management employees; and

3. Authorize the City Manager to update, modify, and add ancillary employee benefits, provided that any associated costs remain within the City Manager's established purchasing authority and budget.

5. Authorize Annual Payments and Approve an Amended Loan Agreement Between the City and District

Prepared by: Stephanie Sikkema, Director of Finance and Administrative Services

Recommendation:
1. Authorize staff to make the annual payments in accordance with the existing Repayment Agreement and Promissory Notes for Arnold Cypress Park and Lexington Park as of June 30, 2026;

2. Approve an amended Repayment Agreement and Promissory Note between the City and District for $29,402,271.42 effective July 1, 2026; and

3. Authorize staff to make future annual payments in accordance with the Repayment Agreements and Promissory Notes for Arnold Cypress Park and Lexington Park.

6. Second Reading of Ordinance No. 1235 Approving a Development Agreement with Los Alamitos Race Course

Prepared by: Alicia Velasco, Director of Community Development

Recommendation: Approve the second reading and adopt Ordinance No. 1235, by title only and waive further reading, approving a Development Agreement between the City of Cypress and the Los Alamitos Race Course.

7. Accept the City Hall East Wing HVAC Replacement, Project 379

Prepared by: Nick Mangkalakiri, Director of Public Works

Recommendation:
1. Accept the City Hall East Wing HVAC Replacement, Project 379, in the amount of $816,653.38 and approve the final payment of $40,832.67 to AireMasters Air Conditioning; and

2. Authorize the City Clerk to file a Notice of Completion with the County Recorder.

8. Approve the Purchase of Two Replacement Police Vehicles

Prepared by: Nick Mangkalakiri, Director of Public Works

Recommendation: Approve the purchase of two replacement police vehicles for an amount not to exceed $117,775, plus a 5% contingency, from National Auto Fleet Group, utilizing cooperative purchasing through Sourcewell contract 081325-NAF.

ITEMS REMOVED FROM CONSENT CALENDAR

PUBLIC HEARINGS

The public may address the City Council on public hearing items prior to any action being taken. Please complete a speaker's card to participate. In-person speakers will be called first, followed by those joining virtually. The Mayor or City Clerk will call on you to address the City Council. All speakers have three minutes to make their comments. Council Members should disclose communications with anyone relevant to a Public Hearing item.

NEW BUSINESS

9. Approve Playground Design Standards

Prepared by: Jeff Draper, Director of Recreation and Community Services

Recommendation: Approve playground design standards for the design, construction, accessibility, safety, and durability of all new outdoor publicly accessible playgrounds within the City of Cypress.

10. Baroldi Sycamore Park Outreach Efforts

Prepared by: Jeff Draper, Director of Recreation and Community Services

Recommendation: Receive and file the Baroldi Sycamore Park outreach results.

ITEMS FROM CITY COUNCIL MEMBERS

COUNCIL MEMBER ITEMS FOR FUTURE CONSIDERATION

COUNCIL MEMBER REPORTS FROM CITY-AFFILIATED BOARDS AND COMMITTEES AND REMARKS

CITY MANAGER REMARKS

ADJOURNMENT

The next meeting will be an adjourned Regular Meeting, to be held on Tuesday, September 22, 2026, beginning at 5:30 p.m. in the City Council Chambers.

Council Members and the public should promptly exit the meeting room following adjournment.

I, Lisa Berglund, City Clerk, certify under penalty of perjury under the laws of the State of California, that the foregoing Agenda was posted on the City Hall bulletin board and City website not less than 72 hours prior to the meeting. Dated September 2, 2026.

PUBLIC PARTICIPATION

Members of the public can participate in the City Council meeting in the following ways:

1. Attend In-Person. First-come, first-served seating is available. All attendees must be free of any symptoms associated with contagious illnesses.

2. Attend Virtually via Webinar. Follow this link: https://attendee.gotowebinar.com/register/7672126514591694424. Advanced registration is recommended. Kindly mute television or streaming devices you may have on in the background so you can hear when you are queued to speak in real time. This helps avoid delays caused by the meeting's 10-second broadcast delay.

The public may address the City Council virtually during Oral Communications on Agenda Items and Public Hearings. Virtual participants must click the 'hand raise' button prior to the end of the first in-person speaker to indicate they wish to address the City Council. Upon clicking the 'hand raise' button, please unmute your microphone and wait for the Mayor/City Clerk to call on you.

 = Hand Raise  = Unmute

3. Submit Public Comments Prior to the Meeting. The public may submit comments via email to cityclerk@cypressca.org. Comments submitted by 3:00 p.m. on the day of the meeting will be added to the meeting record.

4. Watch the Meeting. The City Council meeting can be viewed on Spectrum Cable Channel 36 or on the City's website at **www.cypressca.org/watchlive**.

5. Listen to the Meeting. Listen-only teleconferencing is available by calling +1 (562) 247-8321 and entering Access Code 598-756-500. No registration or audio pin is necessary.

INVOCATION POLICY

The City Council does not endorse the content of the invocation and does not endorse the invocational speaker's particular faith, belief and/or religious denomination. The City Council has an established neutral policy for selecting and scheduling invocational speakers. The City Council's policy on invocations is available from the City Clerk.

AMERICANS WITH DISABILITIES ACT

In compliance with the Americans With Disabilities Act, if you need special assistance to participate in this meeting, you should contact the City Clerk at (714) 229-6685 at least 72 hours prior to the meeting to enable the City to make reasonable arrangements to assure accessibility to this meeting.

CITY OF CYPRESS

CITY COUNCIL REPORT

City Council Regular **1.**

FROM: Lisa Berglund, City Clerk

DATE: 09/08/2026

SUBJECT: **Adopt a Resolution to Amend the City's Conflict of Interest Code**

RECOMMENDATION

Adopt a Resolution amending the Conflict of Interest Code for the City and Recreation and Park District, which supersedes all prior Conflict of Interest Codes and amendments previously adopted.

DISCUSSION

The Political Reform Act (Act) requires every state and local agency to adopt a Conflict of Interest Code (Code) that obligates officials and employees who make governmental decisions to disclose their financial interests. To help identify potential conflicts of interest, the law requires public officials and employees in Conflict of Interest Code positions to report their financial interests on a Statement of Economic Interests Form, also commonly referred to as Form 700.

The Act requires an agency's Conflict of Interest Code to include three components:

1.) Incorporation Section (Terms of the Code) - This section designates where Form 700s are filed and retained (i.e., the agency or the Fair Political Practices Commission). This section also must reference Fair Political Practices Commission Regulation 18730, which provides the rules for disqualification procedures, reporting financial interests, and references the current gift limit. Regulation 18730 is attached.

2.) List of Designated Positions - The Code must list all positions that involve the making or participation in making of decisions that, "may forseeably have a material effect on any financial interest."

3.) Detailed Disclosure Categories - A disclosure category is a description of the types of financial interests disclosed on Form 700.

The Political Reform Act requires every local agency to review its Code at least every even-numbered year to ensure it remains current and accurate.

Revisions to the Conflict of Interest Code are needed at this time to update the list of designated filers to remove positions that have been eliminated and no longer exist in the organization. Positions being removed include Planning Director and Business Development Manager.
Positions being added include Assistant to the City Manager, Community Development Director, Community Development Manager, Deputy City Clerk and Senior Planner. The City Attorney has suggested that the designated positions for the Cypress Recreation and Park District be added to the Code as well. Therefore, the following titles have been updated to reflect their positions with the Cypress Recreation and Park District: Council Member/Ex-officio Governing Board Member, City Manager/Executive Director, City Attorney/General Counsel, Assistant City Attorney/Assistant General Counsel, City Clerk/Secretary to the Governing Board and Deputy City Clerk/Deputy Secretary to the Governing Board.

The attached Resolution adopts the 2026 amended Conflict of Interest Code for the City of Cypress and Cypress Recreation and Park District. Additionally, the City is required to complete and execute the 2026 Local Agency Biennial Notice form and maintain a copy on file in the City Clerk's office. The form has been completed and is attached herewith to this staff report.

BUDGET IMPACT

None.

LEGAL REVIEW

The City Attorney has reviewed this staff report and associated documents.

APPROVED BY: Shannon DeLong, City Manager

Attachments

Draft Resolution

Draft Conflict of Interest Code

FPPC Reg. 18730

2026 Biennial Notice

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CYPRESS, AND ACTING AS THE EX-OFFICIO GOVERNING BOARD OF DIRECTORS OF THE CYPRESS RECREATION AND PARK DISTRICT, A SUBSIDIARY DISTRICT OF THE CITY OF CYPRESS, ADOPTING A CONFLICT OF INTEREST CODE WHICH SUPERSEDES ALL PRIOR CONFLICT OF INTEREST CODES AND AMENDMENTS PREVIOUSLY ADOPTED

WHEREAS, the Political Reform Act of 1974, Government Code §§ 81000 *et seq*., requires every state or local government agency to adopt and promulgate a Conflict of Interest Code and to amend the same on a regular basis; and

WHEREAS, the City of Cypress has previously adopted a Conflict of Interest Code, and that Code now requires amendment; and

WHEREAS, the Fair Political Practices Commission ("FPPC") has adopted Regulation 18730, of the California Code of Regulations (2 Cal. Code of Regulations, § 18730), which contains the terms of a standard or model conflict of interest code, which can be incorporated by reference, and which will be amended to conform to amendments in the Political Reform Act after public notice and hearings conducted by the Fair Political Practices Commission pursuant to the Administrative Procedure Act; and

WHEREAS, incorporation by reference of the terms of the aforementioned regulation and amendments to it will help clarify the Conflict of Interest Code requirements and make compliance with such Code easier.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CYPRESS, AND ACTING AS THE EX-OFFICIO GOVERNING BOARD OF DIRECTORS OF THE CYPRESS RECREATION AND PARK DISTRICT, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The attached Conflict of Interest Code incorporating by reference the terms of Regulation 18730 of the California Code of Regulations, and any amendments to it duly adopted by the Fair Political Practices Commission and the attached Appendices "A" and "B" in which officials and employees are designated and disclosure categories are set forth are hereby incorporated by reference and constitute the Conflict of Interest Code for the City of Cypress, California.

SECTION 2. Persons holding designated positions shall file Statements of Economic Interests pursuant to said Conflict of Interest Code.

SECTION 3. The provisions of all Conflict of Interest Codes and amendments thereto previously adopted for the City of Cypress are hereby superseded.

SECTION 4. The provisions of this Conflict of Interest Code will become effective upon approval of the City Council of the City of Cypress, and ex-officio governing Board of Directors of the Cypress, Recreation and Park District.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Cypress, and ex-officio governing Board of Directors of the Cypress Recreation and Park District, at a regular meeting held on the 8th day of September, 2026.

____
MAYOR OF THE CITY OF CYPRESS

ATTEST:

____
CITY CLERK OF THE CITY OF CYPRESS

STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS

I, LISA BERGLUND, City Clerk of the City of Cypress, DO HEREBY CERTIFY that the foregoing Resolution was duly adopted at a regular meeting of the said City Council held on the 8th day of September, 2026, by the following roll call vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

____
CITY CLERK OF THE CITY OF CYPRESS

CONFLICT OF INTEREST CODE
OF THE CITY OF CYPRESS AND THE
CYPRESS RECREATION AND PARK DISTRICT

The Political Reform Act (Government Code §§ 87100 *et seq.*) requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference in an agency's code. After public notice and hearing, Regulation 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, is hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of the City of Cypress and the Cypress Recreation and Park District.

Individuals holding designated positions shall file statements of economic interests electronically with the City of Cypress. The City Council, City Manager, City Attorney, and City Treasurer, are required to file statements of economic interests under Government Code § 87200, using the FPPC's electronic filing system. Statements for all other designated positions will be retained by the City of Cypress.

Designated employees and individuals who shall file statements of economic interests with the City of Cypress are so designated in Appendix "A."

Legal Reference:

EDUCATION CODE

1006	Prohibitions applicable to specified officers

GOVERNMENT CODE

1090-1097	Prohibitions applicable to specified officers
1125-1128	Incompatible activities
82028	Definitions "Gifts"
82030	Definitions "Income"
82033	Definitions "Interest in real property"
87100-87103.5	Conflicts of Interest
87200-87210	Disclosure
87300-87313	Conflict of interest code
87500	Statements of economic interests
91000-91015	Enforcement

CODE OF REGULATIONS, TITLE 2

18100 *et seq.*	Regulations of the Fair Political Practices Commission

69 OPS. CAL. ATTY. GEN 225 (1986)

APPENDIX "A"

Designated Positions	Disclosure Category
Assistant City Attorney/Assistant Counsel to the Governing Board	1,2,3,4,5,6
Assistant to the City Manager	1,2,3,4,5,6
Chief of Police	1,2,3,4,5,6
City Attorney/General Counsel to the Governing Board	1,2,3,4,5,6
City Clerk/Secretary to the Governing Board	1,2,3,4,5,6
Deputy City Clerk/Deputy Secretary to the Governing Board	1,2,3,4,5,6
City Council/Ex-Officio Governing Board Member	1,2,3,4,5,6
City Engineer	1,2,3,4,5,6
City Manager/Executive Director to the Governing Board	1,2,3,4,5,6
City Treasurer/Director of Finance and Administrative Services	1,2,3,4,5,6
Community Development Director	1,2,3,4,5,6
Community Development Manager	1,2,3,4,5,6
Consultants*	1,2,3,4,5,6
Director of Public Works	1,2,3,4,5,6
Director of Recreation and Community Services	1,2,3,4,5,6
Finance Manager/Assistant Director of Finance and Administrative Services	1,2,3,4,5,6
Human Resources Manager	1,2,3,4,5,6
Information Technology Manager	1,2,3,4,5,6
Maintenance Superintendent	1,2,3,4,5,6
Members of all City Commissions, Boards, and Committees	1,2,3,4,5,6
Police Captain	1,2,3,4,5,6

Recreation and Community Services Manager............................1,2,3,4,5,6

Police Lieutenant ……………………………………………………1,2,3,4,5,6

Senior Management Analyst..1,2,3,4,5,6

Senior Planner...1,2,3,4,5,6

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*Consultants shall disclose pursuant to the broadest disclosure category in the Code subject to the following limitations: The City Manager may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this Section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

APPENDIX “B”

DISCLOSURE CATEGORIES

Designated Employees in Disclosure Category 1 Must Report:

All interest in real property, as defined in Government Code § 82033, within the jurisdiction. Real property shall be deemed to be within the jurisdiction of the property or any part of it is located within or not more than two miles outside the boundaries of the City of Cypress, or within two miles of any land owned or used by the City of Cypress. No disclosure need be made concerning the principal residence of the designated employee.

Designated Employees in Disclosure Category 2 Must Report:

All investments, as defined in Government Code § 87034. Financial interests are reportable only if located within or subject to the jurisdiction of the City of Cypress, or if the business entity is doing business or planning to do business in the City of Cypress, or has done business within the City of Cypress at any time during the two years prior to the filing of the statement.

Designated Employees in Disclosure Category 3 Must Report:

All income, as defined in Government Code § 82030, from any source located or doing business within the jurisdiction or expecting to do business within the jurisdiction. Income received from a public agency need not be disclosed.

Designated Employees in Disclosure Category 4 Must Report:

Employees whose duties involve contracting or purchasing:

> Contracts or makes purchases for the entire City: Investments and business positions in business entities and sources of income, which provide services, supplies, materials, machinery or equipment of the type utilized by the City of Cypress.
>
> Contracts or makes purchases for specific department: Investments and business positions in business entities and sources of income, which provide services, supplies materials, machinery or equipment of the type utilized by the designated employee’s department of division.

Designated Employees in Disclosure Category 5 Must Report: Investments and business positions in business entities, and sources of income, which engage in land development, construction or the acquisition or sale of real property, and all interests in real property.

Designated Employees in Disclosure Category 6 Must Report: All investments and business positions in business entities, and sources of income, which are subject to the regulatory, permit or licensing authority of the City of Cypress.

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.)

§ 18730. Provisions of Conflict of Interest Codes.

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Section 87300 or the amendment of a conflict of interest code within the meaning of Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Section 87200; and

(C) The filing officer is the same for both agencies.[1]

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.[2]

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1. If a person reports for military service as defined in the Servicemember's Civil Relief Act, the deadline for the annual statement of economic interests is 30 days following his or her return to office, provided the person, or someone authorized to represent the person's interests, notifies the filing officer in writing prior to the applicable filing deadline that he or she is subject to that federal statute and is unable to meet the applicable deadline, and provides the filing officer verification of his or her military status.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to Regulation 18754.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure.

When an investment or an interest in real property[3] is required to be reported,[4] the statement shall contain the following:

1. A statement of the nature of the investment or interest;

2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;

3. The address or other precise location of the real property;

4. A statement whether the fair market value of the investment or interest in real property equals or exceeds $2,000, exceeds $10,000, exceeds $100,000, or exceeds $1,000,000.

(B) Personal Income Disclosure. When personal income is required to be reported,[5] the statement shall contain:

1. The name and address of each source of income aggregating $500 or more in value, or $50 or more in value if the income was a gift, and a general description of the business activity, if any, of each source;

2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was $1,000 or less, greater than $1,000, greater than $10,000, or greater than $100,000;

3. A description of the consideration, if any, for which the income was received;

4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;

5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,[6] the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;

2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than $10,000.

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

(B) This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

(C) Subdivisions (a), (b), and (c) of Section 89501 shall apply to the prohibitions in this section.

(D) This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of $470.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than $470 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

(B) This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

(C) Subdivisions (e), (f), and (g) of Section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed $500 at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of $500 or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of $100 or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than $250 during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth $2,000 or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth $2,000 or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating $500 or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating $470 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value $1,000 or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Section 83114 and Regulations 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Section 87100 or 87450 has occurred may be set aside as void pursuant to Section 91003.

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[1] Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Section 81004.

[2] See Section 81010 and Regulation 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

[3] For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

[4] Investments and interests in real property which have a fair market value of less than $2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

[5] A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

[6] Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

HISTORY

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14). Certificate of Compliance included.

2. Editorial correction (Register 80, No. 29).

3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter (Register 81, No. 2).

4. Amendment of subsection (b)(7)(B)1. filed 1-26-83; effective thirtieth day thereafter (Register 83, No. 5).

5. Amendment of subsection (b)(7)(A) filed 11-10-83; effective thirtieth day thereafter (Register 83, No. 46).

6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).

7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).

8. Amendment of subsections (b)(8)(A) and (b)(8)(B) and numerous editorial changes filed 8-28-90; operative 9-27-90 (Reg. 90, No. 42).

9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).

10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93; operative 2-4-93 (Register 93, No. 6).

11. Change without regulatory effect adopting Conflict of Interest Code for California Mental Health Planning Council filed 11-22-93 pursuant to title 1, section 100, California Code of Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.

12. Change without regulatory effect redesignating Conflict of Interest Code for California Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 1).

13. Editorial correction adding History 11 and 12 and deleting duplicate section number (Register 94, No. 17).

14. Amendment of subsection (b)(8), designation of subsection (b)(8)(A), new subsection (b)(8)(B), and amendment of subsections (b)(8.1)-(b)(8.1)(B), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 11).

15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).

16. Amendment of subsections (b)(8)(A)-(B) and (b)(8.1)(A), repealer of subsection (b)(8.1)(B), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).

17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 15).

18. Amendment of subsections (b)(7)(B)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 35).

19. Editorial correction of subsection (a) (Register 98, No. 47).

20. Amendment of subsections (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 20).

21. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of Government Code section 11380.2 and Title 2, California Code of Regulations, section 18312(d) and (e) (Register 2000, No. 49).

22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 2).

23. Amendment of subsections (b)(7)(A)4., (b)(7)(B)1.-2., (b)(8.2)(E)3., (b)(9)(A)-(C) and footnote 4. filed 2-13-2001. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 7).

24. Amendment of subsections (b)(8.1)-(b)(8.1)(A) filed 1-16-2003; operative 1-1-2003. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District,

nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2003, No. 3).

25. Editorial correction of History 24 (Register 2003, No. 12).

26. Editorial correction removing extraneous phrase in subsection (b)(9.5)(B) (Register 2004, No. 33).

27. Amendment of subsections (b)(2)-(3), (b)(3)(C), (b)(6)(C), (b)(8.1)-(b)(8.1)(A), (b)(9)(E) and (b)(11)-(12) filed 1-4-2005; operative 1-1-2005 pursuant to Government Code section 11343.4 (Register 2005, No. 1).

28. Amendment of subsection (b)(7)(A)4. filed 10-11-2005; operative 11-10-2005 (Register 2005, No. 41).

29. Amendment of subsections (a), (b)(1), (b)(3), (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 12-18-2006; operative 1-1-2007. Submitted to OAL pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2006, No. 51).

30. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 10-31-2008; operative 11-30-2008. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2008, No. 44).

31. Amendment of section heading and section filed 11-15-2010; operative 12-15-2010. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of*

Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2010, No. 47).

32. Amendment of section heading and subsections (a)-(b)(1), (b)(3)-(4), (b)(5)(C), (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) and amendment of footnote 1 filed 1-8-2013; operative 2-7-2013. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2013, No. 2).

33. Amendment of subsections (b)(8.1)-(b)(8.1)(A), (b)(8.2)(E)3. and (b)(9)(E) filed 12-15-2014; operative 1-1-2015 pursuant to section 18312(e)(1)(A), title 2, California Code of Regulations. Submitted to OAL for filing and printing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2014, No. 51).

34. Redesignation of portions of subsection (b)(8)(A) as new subsections (b)(8)(B)-(D), amendment of subsections (b)(8.1)-(b)(8.1)(A), redesignation of portions of subsection (b)(8.1)(A) as new subsections (b)(8.1)(B)-(C) and amendment of subsection (b)(9)(E) filed 12-1-2016; operative 12-31-2016 pursuant to Cal. Code Regs. tit. 2, section 18312(e). Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision,

April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2016, No. 49).

2026 Local Agency Biennial Notice

Name of Agency: City of Cypress/Cypress Recreation and Park District

Mailing Address: 5275 Orange Avenue, Cypress CA 90630

Contact Person: Lisa Berglund, City Clerk Phone No. (714) 229-6685

Email: lberglund@cypressca.org Alternate Email: cityclerk@cypressca.org

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.

CITY OF CYPRESS

CITY COUNCIL REPORT

City Council Regular **2.**

FROM: Jason Machado, Assistant to the City Manager

DATE: 09/08/2026

SUBJECT: **Receive and File a Report of the August 26, 2026, Strategic Plan Workshop**

RECOMMENDATION

Receive and file a report of the August 26, 2026, Strategic Plan Workshop.

DISCUSSION

The City Council establishes major City goals and objectives through its strategic planning process and the Strategic Plan is the primary tool by which the City Council improves services and preserves Cypress' high quality of life. The City Council met on August 25, 2026, to receive an update on Strategic Plan Objectives for 2026.

City Council will continue to receive monthly updates on the status of the 2026 objectives at the second City Council meeting of each month. A special City Council workshop will be held in the first quarter of 2027 to review and update the City's Mission and Vision statements as well as develop objectives for 2027.

The attached report summarizes discussions, questions and thoughts from the workshop.

BUDGET IMPACT

None.

LEGAL REVIEW

The City Attorney has reviewed this staff report.

APPROVED BY: Shannon DeLong, City Manager

Attachments

City Council August 2026 Strategic Planning Workshop
Wednesday, August 26, 2026
Follow-Up Report

Submitted by Knight Leadership Solutions

<u>City Manager Introductory Remarks:</u>

- Today's workshop is an opportunity to provide progress and updates on the existing Strategic Plan Objectives set in February 2026.
- After the Objectives were approved in February, the staff began to execute and move them forward in the following ways:
  - **Staffing**
    - ✓ New Employees Brought on in 2026 = Part-time 12, Full-time 11
    - ✓ Impactful Promotions: Lieutenant, Assistant to the City Manager
    - ✓ New Budget Positions Filled/Hired: Lieutenant, 2 Maintenance Workers, Engineer
  - **Organizational Culture**
    - ✓ IGNITE Committee – Inspiring Growth, Networking, Inclusion, Teamwork & Engagement
    - ✓ Mid-Managers Cohort Leadership Training for Fall 2026
    - ✓ Employee Survey

- **Public Messaging**
  - ✓ Responding to Community Survey Results in areas of Communication and Transparency
  - ✓ Budget In Brief
  - ✓ FY 2025/26 Accomplishments Report
  - ✓ Monthly Financial Performance Report
  - ✓ Implementation of Branding - Ongoing

Review and Status of the current 2026 Objectives

Staff provided a status report for each Strategic Goal on those Objectives that have been completed, and those still in progress. The following is a summary of the City Council discussions, questions, and thoughts for the future related to each Goal.

- **Goal: Maintain infrastructure and facilities- City Council Input and Suggestions:**
  - *Objective:* Update to the Parkway Tree Policy and New Park Tree Policy
  - *Discussion:* The Council would like to see a second phase of this Objective to include a new approved tree palette that the community would be able to choose from including information on the pros and cons of the various tree species currently on the approved list.
  - *Future Potential Objective:* The Council would like to consider during the 2027 Strategic Planning Session the opportunities and possibilities of adding solar to City owned parking lots.

- **Goal: Maintain financial stability and promote economic activity- City Council Input and Suggestions:**
    - *Objective:* Preparation of an Economic Development Plan
    - *Discussion:* The Council would like to see a phase 2 for this objective in the 2027 Strategic Plan that would contain a Market Gap Analysis and suggested opportunities for new businesses to locate in Cypress as there are vacancies, so the Council can prioritize those opportunities.
    - In addition, a future community survey of what businesses residents would like to see in the future was discussed.
    - *Future Potential Objective:* The Council would like to consider during the 2027 Strategic Planning Session an analysis that looks at opportunities to increase affordability for future families living in Cypress.

- **Goal: Enhance and maintain public safety- City Council Input and Suggestions:**
    - *Future Potential Objective: E-Bike safety and regulation-* The Council would like to educate the community on what has been done in this area, what is currently happening, and the potential future State regulations that are anticipated in early 2027 to help with enforcement. This education would be via the City's website. The Council would like to consider this item further during the 2027 Strategic Planning Session.

- **Goal: Maintain high quality and high value services for the community - City Council Input and Suggestions:**
    - *Future Potential Objective:* the Council would like staff to explore the expansion of event offerings such as the Symphany on the Go and discuss during the 2027 Strategic Planning process opportunities and implementation needs.
    - *Follow-up Item:* The Council would like follow-up information and opinion from the City Attorney's Office related to the types of non-city-sponsored community events that the city could advertise.

- **Goal: Enhance recreation facilities and programs - City Council Input and Suggestions:**
    - Objective: Explore Feasibility for Passport Services: The Council would like staff to provide education to the community related to existing passport services that are available to them.
    - The possibility of reaching out to the County to have mobile passport services visit the city for an event was discussed.
    - This topic can be revisited during the 2027 Strategic Planning Process with an update on the success of these measures.

Next Steps:

- Council to receive and file a report of this strategic planning meeting on September 8, 2026.

- 2027 Strategic Plan Council briefings to commence upon completion of election.

- The 2027 Strategic Planning Workshop is to be held in Q1 of 2027.

- The Council is supportive of staff conducting community engagement through a variety of means and methods prior to the 2027 Strategic Planning workshop. The purpose of this engagement would be to gather input on an updated mission and vision statement for the city for 2027-2030.

CITY OF CYPRESS

CITY COUNCIL REPORT

City Council Regular **3.**

FROM: Mark Lauderback, Chief of Police

DATE: 09/08/2026

SUBJECT: **Approve the Purchase of Two Replacement Police Motorcycles**

RECOMMENDATION

1. Approve the purchase of two police motorcycles for an amount not to exceed $72,886 utilizing the City of Santa Ana Invitation for Bids No. 26-050; and

2. Adopt a resolution approving a budget amendment for the fiscal year commencing July 1, 2026, and ending June 30, 2027.

DISCUSSION

The Police Department operates four BMW motorcycles. Three motorcycles are deployed in the community and one serves as a training motorcycle that can be deployed when necessary. Earlier this year, one motorcycle was damaged beyond repair in a collision and must be replaced. The accident was the fault of a third party and the City is working to secure insurance reimbursement. The second motorcycle is budgeted for replacement in FY 2026-27 City Capital Replacement Fund.

The Municipal Code allows for "piggybacking" off of other public agencies that have already conducted and completed a procurement process. The City of Santa Ana released an Invitation for Bids (IFB Solicitation No. 26-050) earlier this year for BMW motorcycles. That bid included a provision that allows other agencies to piggyback off their contract. In response to the City of Santa Ana's IFB 26-050, a dealership was selected called Irv Seaver Motorcycles in Orange. A representative from Irv Seaver Motorcycles has provided a quote for two 2027 BMW R1300-RT-P motorcycles for an amount not to exceed $72,886.

BUDGET IMPACT

There is sufficient funding plus a contingency budgeted in the FY 26-27 City Capital Replacement Fund budget for the purchase of one motorcycle. An additional $14,250 is included in the attached budget amendment to fund the rest of the second motorcycle. This will be offset by insurance settlement proceeds for the replacement cost of the second motorcycle.

LEGAL REVIEW

The City Attorney has reviewed this staff report.

APPROVED BY: Shannon DeLong, City Manager

Attachments

Piggyback Quote

Santa Ana IFB 26-050

Resolution

IRV SEAVER MOTORCYCLES
607 West Katella Avenue
Orange, California 92867-4607
Phone: 714-532-3700
Fax: 714-532-5763
www.irvseaverbmw.com

August 19, 2026

City of Cypress
Quote for 2027 BMW R1300RT-P per attached build sheet based on Piggyback of Santa Ana IFB 26-050

Quote valid for 90 days from August 19, 2026
BMW Factory Warranty; 36 months or 60,000 miles
Delivery; Within 180 days of Purchase Order issuance
Terms; Net 30 days from delivery date of unit
Other agencies may participate in this bid

Unit Price;	$33,699.00
Tax 7.75%;	$2,618.26
Docs (taxable)	$85.00
DMV Processing	$37.00
Cal Tire Recycle Fee	$3.50
Total unit cost;	$36,442.76

Total cost for 2 units; $72,885.52

David Diaz
General Manager

BMW R1300 RT-P Motor Pricing Form

(2026 Model Year)

BMW MOTORRAD

	Color	Option Code	
1	Night Black & Alpine White III	753	
0	Night Black	716	
0	Alpine White III (special order)	751	
0	Black Blue (special order +60 days) $119.60	999	(see below)
0	Saphir Blue (special order + 60 days) $119.60	999	(see below)
0	Violet Blue (special order +60 days)	756	
0	Glacier Silver Metallic (special order)	N99	

Revised: December 8, 2025

	Quotation:			Motorcycle
	Cypress / Santa Ana Piggyback	Option Code	Retail Price	$23,689.00
	Factory Special-Order Options - Plan 90-120 Days for Delivery			
0	Headlight Pro (includes 134)	219	$560.23	$0.00
1	Gear Shift Assist Pro	222	$304.55	$304.55
0	GPS Prep	272	$179.55	$0.00
0	Chrome Exhaust (Includes 340)	19F	$229.55	$0.00
0	Dark Chrome Exhaust (Includes 34A)	19J	$179.55	$0.00
0	Additional LED Headlights (driving lights)	562	$470.45	$0.00
0	High Seat Black	77E	$0.00	$0.00
0	Low Seat Black	77D	$0.00	$0.00
0	Dynamic Package	235	$2,114.77	$0.00
0	Dynamic Package with **Auto Shift 22A**	235	$3,055.68	$0.00
0	Rider Assistant Safety Package	5AS	$825.00	$0.00
0	Black Blue	999	$119.60	$0.00
0	Sapphire Blue	999	$119.60	$0.00
	The Features Below Denote Standard Order Deck			$0.00
	US Authority Package			$339.77
	BMW Electronic Siren			$1,220.45
	Weather Protection, Tire Pressure Monitors, Heated Seat, Cruise Control			

Additional Labor Operations Provided by Dealer

Units			
	Quotation valid for 60 days	**Total Price - Page 1**	**$25,553.77**
1	from date noted below.	**Total Price - Page 2**	**$0.00**
		Total Price - Page 3	**$0.00**
Date of Quote:		**Parts From Other Suppliers - Page 4**	**$7,050.23**
		Dealer Basic Assembly / Preparation	$0.00
		Motorcycle Freight	**$1,095.00**
		Total Retail Price per Unit with Options	**$33,699.00**
	0.00%	**State Sales Tax (if applicable)**	**$0.00**
		Total Retail Price per Unit with Options	**$33,699.00**

Note: Prices subject to change without notice. Final price is always determined by the selling authorized BMW Motorcycle dealer.

BMW RT-P Motor Pricing Form - Page 2

See Special Notation Comment

BMW MOTORRAD

Quotation for:

Cypress / Santa Ana Piggyback

Per	Dealer Installed Options / Retrofits	BMW P/N	Order #	Retail	Total Retail
0	Shift Assistant Pro (hardware)	23 00 1 543 107	0	$95.73	$0.00
0	Screw Torx drive (order two)	07 12 9 904 977	0	$2.46	$0.00
0	Enabling Code	77 15 8 395 839	0	$45.00	$0.00
0	LED Additional Headlight (order 2)	63 17 9 898 785	0	$183.65	$0.00
0	Fillister Head Screw (order 2)	07 12 9 907 398	0	$3.36	$0.00
0	Fillister Head Screw (order 2)	07 12 9 907 377	0	$9.36	$0.00
0	Hex Nut With Plate (order 2)	07 11 9 905 544	0	$1.11	$0.00
0	Extra Ignition Key - Keyless Fob Transmitter	66 12 5 A94 F18	0	$454.69	$0.00
0	Heated Seat - Low TBD	52 53 5 A79 7B8	0	$690.98	$0.00
0	Heated Seat - High TBD	52 53 5 A79 7B9	0	$690.98	$0.00
0	Tire Pressure Gauge	82 12 0 140 377	0	$32.12	$0.00
0	BMW Battery Charger	61 43 2 408 594	0	$134.24	$0.00
0	Motorcycle Charging Plug	61 43 2 411 680	0	$22.64	$0.00

Note: Prices subject to change without notice. Always verify accuracy of part pricing before submitting quotations.
Final price is always determined by the selling authorized BMW Motorcycle dealer.

Additional Accessories - Page 3

Qty Per	Item Description Additional Accessories	BMW P/N	Order #	Retail	Total Retail
	Engine Protection				
0	Rocker Cover Protection Left Side (order 1)	77 14 5 A6E 645	0	$81.53	$0.00
0	Rocker Cover Protection Right Side (order 1)	77 14 5 A6E 646	0	$81.53	$0.00
0	Body Screw W/O collar (order 4)	46 63 8 568 780	0	$5.80	$0.00
0	Body Screw W/collar (order 4)	46 63 8 550 994	0	$6.59	$0.00
0	Spacer (order 8)	77 14 5 A74 317	0	$8.61	$0.00
0	Nut (order 8)	07 11 9 905 710	0	$1.45	$0.00
0	Bush (order 8)	11 84 8 544 832	0	$7.06	$0.00
0	Large Skid Plate (order 1)	11 84 7 914 425	0	$342.42	$0.00
0	Fillister Head Screws (order 4)	07 12 9 907 402	0	$3.08	$0.00
0	Engine Guard Holder (order 1)	11 84 8 829 202	0	$27.18	$0.00
0	Skid Plate Holder Front (order 1)	11 84 5 A64 A34	0	$40.68	$0.00
0	Skid Plate Holder Rear (order 1)	11 84 5 A64 A35	0	$40.68	$0.00
0	Fillister Head Screw (order 4)	07 12 9 907 383	0	$3.60	$0.00
0	Clip Nut (order 4)	07 14 7 693 887	0	$3.61	$0.00
	Adjustable Footrest System				
0	Rider Foot Peg Left Adapter	46 71 5 A73 D11	0	$75.20	$0.00
0	Rider Foot Peg Right Adapter	47 71 5 A73 D12	0	$75.20	$0.00
0	Footbrake Lever, adjustable	77 23 5 A73 F61	0	$219.20	$0.00
0	Gearshift Lever, adjustable	77 25 5 A73 C87	0	$219.20	$0.00
0	Pin (order 2)	46 717 675 691	0	$18.21	$0.00
0	Circlip (order 2)	07 11 9 909 941	0	$2.76	$0.00

Note: Prices subject to change without notice. Always verify accuracy of part pricing before submitting quotations.
Final price is always determined by the selling authorized BMW Motorcycle dealer.

Additional Accessories From Other Suppliers - Page 4

Qty	Description	PN	Price Each	Total Price
1	FMS Emergency Lighting Package Red / Blue	SOS-001	$ 4,399.00	$ 4,399.00
1	Rifle Main Mount Gen 2 GL-RMUS	GL-RMUS	$ 638.00	$ 638.00
1	Rifle Lower Std Muzzle Cup W/ Sight Shield	GL-LS5	$ 149.00	$ 149.00
1	Rifle Mount Standard Short Barrel Right Side	MT-KA3SBR1	$ 79.00	$ 79.00
1	PR24 / Flashlight Holder Left Side	KA3-FLBHLH	$ 240.00	$ 240.00
1	License Plate ID Lights Blue	EA-LPIDS	$ 59.00	$ 59.00
1	License Plate Mounting Set	MT-LPMT	$ 10.90	$ 10.90
1	12V Power Outlet (Lighter Style)	FMSAEALSF	$ 45.33	$ 45.33
1	USB Power Outlet W Voltmeter	FMSAEAUSB2	$ 45.00	$ 45.00
1	Fused Power Sockeet Harness	FMSAELRFH	$ 33.00	$ 33.00
1	Zebra Printer Holder-Locking Right side	KA3-ZPB	$ 298.00	$ 298.00
1	FMS Police Battery Charger	OM-BCHGR	$ 155.00	$ 155.00
1	FMS Stalker X Series Lidar Holder	FMSAGSTX2	$ 299.00	$ 299.00
1	Clearwater Darla D51 (CONFIRM FITMENT)		$ 600.00	$ 600.00
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -

CITY OF SANTA ANA

INVITATION FOR BID (IFB) NO. 26-050

FOR

BMW MOTORCYCLE

KEY IFB DATES: *The schedule below is tentative and subject to change at the discretion of City, with appropriate notice to prospective Bidders.*

Issue Date:	Monday, April 6, 2026
Deadline for Questions:	Tuesday, April 14, 2026, 2:00 P.M.
Bid Due Date:	**Tuesday , April 28, 2026, 2:00 P.M.**

BID CONTACT:
Buyer: Abel Morfin
Email: amorfin@santa-ana.org

CITY OF SANTA ANA

TABLE OF CONTENTS

EXHIBITS:

Exhibits provided for Bidders' reference only. These are not to be included with bid submittal.

ATTACHMENTS (Required with Bid submittals):

I. BACKGROUND

The City of Santa Ana, California, is rich in culture and pride, the county seat of Orange County, and encompasses an area of approximately 27 square miles. For more information, please visit https://www.santa-ana.org/

II. OVERVIEW OF PROJECT

The City of Santa Ana (City) is seeking bids from qualified vendors (Bidders) to provide two (2) 2026 or newer BMW R 1300 RT-P Motorcycles as follows and in accordance with ATTACHMENTS A-1- A-2. Contractor shall perform scope of work as set forth below and in accordance with Exhibit 1 Specifications:

1. A-1: Two (1) BMW R 1300 RT-P Motorcycle, Model Year 2026 for Police Department
2. A-2: Two (1) BMW R 1300 RT-P Motorcycle, Model Year 2026 for Police Department

The term “Vendor”, “Bidder”, “Firm”, “Contractor”, and “Consultants” shall refer to any legal entity or entities submitting a bid in response to this Invitation for Bid (IFB).

III. DELIVERY REQUIREMENTS AND LOCATION(S)

Vehicle shall be delivered complete and ready for use, with a full tank of fuel to the following location:

Delivery Address:	**City of Santa Ana** **Corporate Yard** **215 S. Center Street** **Santa Ana, CA 92703**
Receiving Hours:	**Monday through Friday** **7:30 AM to 4:00 PM**

A. VEHICLE LICENSE/REGISTRATION

Vendor shall make the necessary arrangements to transfer title of the equipment/vehicle, and apply California State exempt license plates for government use. The registered owner shall be shown exactly as outlined below, on all forms where the registered owner is listed:

City of Santa Ana
20 Civic Center Plaza M-83
Santa Ana, CA 92701

Vendor shall provide documentation from the Department of Motor Vehicles (DMV), at the time the vehicle is delivered, as evidence of having applied for registration/license. License plates are to be mounted on the vehicle when delivered.

IV. LATE DELIVERY ASSESSMENT & LIQUIDATED DAMAGES

The Vendor agrees to pay late-delivery assessment for any delay in delivery (except those beyond its reasonable control) beyond the date agreed to and shown in the purchase order or contract in an amount equal to the expenses incurred by the City due to the delay, including but not limited to expenses such as rental of like equipment to fulfill the need while awaiting late delivery, added cost of manpower or other resources, or other costs as can be shown to have resulted from delaying receipt of the ordered goods or services. The penalty will be deducted from the amount due to the Vendor under the purchase order or contract.

The City will assess liquidated damages at the rate of $100 per calendar day that the Contractor exceeds the specified date of delivery.

V. GENERAL BID INFORMATION

A. SUBMITTAL INSTRUCTIONS

It is the responsibility of the Proposer to ensure that any proposals submitted have been uploaded to PlanetBids prior to the RFP due date and time. Proposals, including all required sections and forms, shall be submitted electronically via the City's Bid Management System, PlanetBids. No other form of submittal will be accepted, except as expressly provided below.

PlanetBids will not accept late proposals and no exceptions shall be made. Proposers will receive an e-bid confirmation number with a time stamp from PlanetBids indicating that their proposal was submitted successfully. The City will only receive and consider those proposals that were transmitted successfully. Submit proposal online at: https://vendors.planetbids.com/portal/20137/portal-home.

An exception to the foregoing requirements may be considered only when a Proposer can demonstrate, to the City's satisfaction, that its inability to timely submit a proposal through PlanetBids was the direct result of an error, omission, or failure attributable to the City or the City's contractors. In such circumstances, the Proposer must still submit its complete proposal electronically via email to the City prior to the RFP due date and time in order to be considered responsive, unless there is a documented and verifiable system-wide issue clearly attributable to the City that prevents such electronic submission. The Proposer must provide written documentation or other credible evidence substantiating that the delay or failure was caused by the City or its contractors. The City reserves sole discretion to determine whether the exception applies.

Except for the limited exception described above, the Proposer shall be solely responsible for informing itself with respect to the proper utilization of the bid management system, for ensuring the capability of their computer system to upload the required documents, and for the stability of their internet service. Failure of the Proposer to successfully submit an electronic proposal shall be at the Proposer's sole risk and no relief will be given for late and/or improperly submitted proposals.

Proposers experiencing any technical difficulties with the bid submission process may contact PlanetBids at (818) 992-1771. Questions of an operational nature may be directed to the City's assigned Buyer. Neither the City, nor PlanetBids, makes any guarantee as to the timely availability of assistance, or assurance that any given problem will be resolved by the bid submission deadline.

All notifications, updates and addenda will be posted online on PlanetBids at https://vendors.planetbids.com/portal/20137/portal-home. Proposers shall be responsible for monitoring the site to obtain information regarding this solicitation. Failure to respond to required updates may result in a determination of a nonresponsive proposal.

B. COMMUNICATION / CONTACT WITH CITY STAFF

Unless otherwise authorized herein, Bidders who are considering submitting a bid in response to this IFB, or who submit a bid in response to this IFB, are only to communicate with the assigned Buyer(s), and no other City staff about this IFB from the date this IFB is issued until a contract is awarded. The City will provide all official communication concerning this IFB in writing via the City's Bid Management System, PlanetBids.

The City will not be responsible for or bound by any oral communication or any other information or contact that occurs outside the official communication process specified herein, unless confirmed in writing by the designated Buyer(s).

C. INVITATION FORINFORMATION OR CLARIFICATION / QUESTIONS

Questions regarding this IFB shall be submitted via PlanetBids no later than the date and time shown at the schedule of key IFB dates on the cover page of this IFB. Responses to all questions will be posted on PlanetBids at least three (3) business days prior to close of the IFB. No verbal requests or responses will be accepted.

Significant interpretations or clarifications will be addressed via addenda to this IFB, which will be released and posted on PlanetBids under the "Addenda/Emails" tab.

D. EXCEPTIONS

Requests submitted for City's consideration of proposed terms and conditions, including modifications to the City's IFB and/or Contract terms and conditions must be submitted by the deadline for questions. Such requests should include an attachment in Word or PDF format on formal company letterhead that shows the requested modifications. Should the Bidder be considered for award recommendation and progress into the negotiations phase, the requests for exceptions or modifications to the City's terms and conditions will be discussed at that time. The City will not accept any requests after the deadline for questions and reserves the right to reject or strike any requests for exceptions or additional terms and conditions related to Agreement, IFB, and insurance and indemnification terms and conditions.

E. ADDENDA

Any changes in IFB from the date of release to date of submittal will result in an addendum or amendment. Notification of such addendum or amendment shall be posted on City's PlanetBids system, https://vendors.planetbids.com/portal/20137/portal-home. Bidders shall be responsible for monitoring the site to obtain information regarding this solicitation.

F. UNDERSTANDING BID

It is the responsibility of each Bidder to inquire about any criteria, condition, term, provision, or requirement of the IFB that the Bidder does not understand. Responses to inquiries, if they significantly change or clarify the IFB requirements or any aspect of the procurement process, will be forwarded by addenda to all Bidders. The City will not be bound by any oral responses to inquiries. By submitting bids, Bidders assert that they have fully read the IFB and any addenda issued by the City, the proposed Contract and any other Contract Documents, and affirm that the terms and conditions stated therein are fully understood and are acceptable to the Bidder. Each Bidder accepts the terms and conditions of the Contract Documents and indicates their ability and willingness to perform the requested services under such terms and conditions. Any exceptions to the terms and conditions set forth in the Contract Document shall be submitted to the City by the deadline to submit requests for information or clarification/questions set forth herein.

G. WITHDRAWALS
Bidders are responsible for verifying all prices and information before submitting a bid. Prior to the bid due date, the Bidder or Bidder's representative may withdraw the bid by providing written notice of the bid withdrawal to the Buyer(s). Verbal or telephonic withdrawals are not permissible.

H. PROTEST PROCEDURES
Only respondents who have actually submitted a bid may file a "protest" to an IFB with the City's Purchasing Department. In order for a Bidder's protest to be considered valid, the protest must:

1. Be filed in writing before 5:00 p.m. of the 5th business day following the posting of IFB Results/Notice of Intent to Award on the City's online bidding system;

2. Clearly identify the specific irregularity or accusation;

3. Clearly identify the specific City staff determination or recommendation being protested;

4. Specify, in detail, the grounds of the protest and the facts supporting the protest; and

5. Include all relevant, supporting documentation with the protest at time of filing.

If the protest does not comply with each of these requirements, it will be rejected as invalid. If the protest is valid, the City's Purchasing Manager, or other designated City staff member, shall review the basis of the protest and all relevant information. The decision from the Purchasing Manager, or her/her designee, is final and no further appeals will be considered.

I. PUBLIC AGENCIES
Other public agencies, as defined by California Government Code Section 6500, may choose to use the terms of this Contract, subject to Contractor's acceptance. The City is not liable or
responsible for any obligations related to a subsequent contract between Contractor and another public agency.

J. BUSINESS LICENSE
The City requires any person, including but not limited to, an individual, corporation, Contractor, Subcontractor, and Sole Proprietor who wishes to conduct any business within the City of Santa Ana must secure a City of Santa Ana business license prior to the execution of a contract. The awarded party shall maintain a current business license throughout the term of the resulting contract. Procedure to obtain a City of Santa Ana business license is available by contacting the Finance and Management Services Agency at (714) 647-5447 or on the City's website www.santa-ana.org.

VI. BID RESPONSE INSTRUCTIONS

The following forms, included in this IFB, shall be signed and included as part of the bid submittal package:

- ATTACHMENT A: BID FORM
- ATTACHMENT A-1: BID SPECIFICATION TABLE
- ATTACHMENT A-2: BID SPECIFICATION TABLE
- ATTACHMENT B: BIDDER'S CERTIFICATION
- ATTACHMENT C: DEBARMENT QUESTIONNAIRE
- ATTACHMENT D: NON-LOBBYING CERTIFICATION
- ATTACHMENT E: NON-DISCRIMINATION CERTIFICATION
- ATTACHMENT F: NON-COLLUSION AFFIDAVIT
- ONLINE PRICE SUBMITTAL AT "LINE ITEMS" TAB ON PLANETBIDS

The bid must be completely responsive to the IFB. Incomplete bids will be deemed as nonresponsive and will be rejected. The City reserves the right to reject any or all bids submitted and no representation is made hereby that any commitment will be awarded pursuant to this IFB or otherwise.

PLEASE NOTE:

- ***All forms above must be signed by a representative of the Firm that is legally authorized to contractually bind the Bidder.***
- ***Attachment F: Non-Collusion Affidavit must be notarized.***

VII. TERMS AND CONDITIONS

See Exhibit 2 – TERMS AND CONDITIONS

VIII. AWARD PROCEDURES & CRITERIA

A. Award: The following criteria will be included in the evaluation process for selection of the award recipients(s):
   1. Ability to meet specifications;
   2. Proposed price;
   3. Delivery lead time;
   4. Past record of performance in providing similar services; including such factors as timely response and cooperation.

   The City reserves the right to award the Contract to other than the lowest Bidder, to reject any or all bids, to cause re-soliciting of the bids, or to take such other course of action as the City deems appropriate at the City's sole and absolute discretion. The City shall endeavor to award contract to the lowest, responsive, responsible Bidder.

B. Local Preference Points: The City encourages the utilization of small, local businesses on projects ranging from $15,000 to $100,000 in total cost.

   1. For the purposes of evaluation, bids will be reduced by seven (7%) percent for **small Santa Ana businesses** for projects between $15,000 and $100,000 in total cost.
   2. For the purposes of evaluation, bids will be reduced by four (4%) percent for **small Orange County businesses** for projects between $15,000 and $100,000 in total cost.

Per City of Santa Ana Ordinance NS-2828, "In order for the preference to apply, a bidder must certify under penalty of perjury, that the bidder qualifies as a local business or Orange County business. The preference is waived if the certification does not appear on the bid." Additionally, respondents must provide a copy of their Department of General Services small business certification in order to qualify for Local Preference Points. The City does not accept small certifications from any other agency.

C. Selection: The City is under no obligation to accept any bid and reserves the right to negotiate with respondents as to fees and terms. The City may reject bids at its sole discretion. If bid fails to satisfy any requirements outlined in this IFB, it may be considered non-responsive and may be rejected.

The City shall not be obligated to accept the lowest priced bids, but will make awards in the best interests of the City after all factors have been evaluated. The review committee will recommend the qualified Bidders to the City Council or City Manager for award of contract, as appropriate.

IX. ALTERNATIVES

All bids with material substitutions or deviations from the specified items will be rejected as non-responsive. Bidders must submit a request for pre-approval of any equivalent, equal, alternative, or changes by following the directions for questions described above, prior to the deadline to submit questions. The City has the option of accepting or rejecting any proposed alternative and any bid that includes alternatives. Brand names, if any, are given for quality control only. Bids on "equals" are encouraged, however, the Bidder must give evidence of equal utility and quality by providing specification sheets and description of products proposed as alternatives for each line item, and a description of the request on company letterhead.

X. PRICING REQUIREMENTS

Bidders must supply all bid items and provide unit prices for all items listed in this IFB, including any shipping/handling fees. Bid proposals that do not include all items listed may be deemed non-responsive.

1. Prices shall be FOB Destination Santa Ana
2. Prices must not include sales tax.
3. Pricing must be inclusive of all costs, including but not limited to, direct and indirect costs for labor, overhead, insurance, business expenses, incidental supplies, mileage, fuel/fuel surcharges, and any other miscellaneous charges.
4. Fees for delivery, shipping and handling, and freight (if any) must be noted.

XI. TAX

The City is exempt from Federal Excise Tax. Do not include sales tax in your unit prices. Bidder shall show as a separate item California State Sales and/or Use Tax percentage. However, sales tax will not be included in during the evaluation of bids.

XII. ADDITIONAL TERMS AND CONDITIONS

A. SITE INSPECTIONS
When appropriate, Bidders are encouraged to examine the locations, physical conditions and surroundings of the proposed work sites on their own to determine the extent to which these factors will influence or affect performance of work. Failure to inspect sites shall not relieve the Contractor from fulfilling the obligations of the Contract. The City shall assume that Bidders

have investigated and are satisfied with the expected conditions, quality of the work to be performed, and the requirements of these specifications.

B. SAMPLES

When required, Bidder shall furnish samples of items free of expense to the City, and if not destroyed by test may, upon request made at the time the sample is furnished, be returned at the Bidder’s expense

CITY OF SANTA ANA

EXHIBIT 1 – SPECIFICATIONS

SEE ATTACHMENTS A-1 AND A-2

EXHIBIT 2 – SAMPLE TERMS AND CONDITIONS

GENERAL TERMS AND CONDITIONS

1. **PAYMENT:**
   a. Payment by City will be processed within thirty (30) days following receipt of proper invoice evidencing work performed and subject to City accounting procedures.
   b. No additional charge will be paid by the City unless expressly included and itemized herein.
2. **DELIVERY:**
   a. Time of delivery; as shown herein, must be adhered to. All goods shall be shipped F.O.B. destination designated by the City. Vendor assumes full responsibility for packing, crafting, marking, transportation and liability for loss and/or damage.
   b. All transportation charges to be prepaid by Vendor.
3. **LATE DELIVERY ASSESSMENT:** The Vendor agrees to pay late-delivery assessment for any delay in delivery (except those beyond its reasonable control) beyond the date agreed to and shown in the purchase order or contract in an amount equal to the expenses incurred by the City due to the delay; including but not limited to expenses such as rental of like equipment to fulfill the need while awaiting late delivery, added cost of manpower or other resources or other costs as can be shown to have resulted from delaying receipt of the ordered goods or services. The penalty will be deducted from the amount due to the Vendor under this purchase order.
4. **INSPECTION:** City shall be under no obligation to unpack or inspect the products and/or services. The Vendor shall be responsible for the consequences of negligent manufacture and packing, and for the consequences of negligent handling prior to point where City assumes ownership. The expense of subsequent tests due to failure of goods first offered will be charged against the Vendor.
5. **GENERAL GUARANTEE:** The Vendor guarantees that a) Vendor owns all rights, title and interest in the products and services and has the legal authority to sell, license or otherwise transfer the right to use to the City; b) the products and services are free from defects in material and workmanship for a minimum period of one (1) year from the date of acceptance by the City, unless otherwise stated as part of the bid; and c) Vendor shall repair or replace all such defective goods F.O.B. destination.
6. **INDEMNIFICATION:** The Vendor guarantees and agrees to indemnify, defend, and hold harmless the City against any or all loss, liability, damages, demands, claims or costs alleged by third parties arising out of Vendor's performance. This includes defective material and products, faulty work performance, negligent or unlawful acts, and noncompliance with any applicable local, state or federal codes, ordinances, orders or statutes, including, but not limited to, the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. This guarantee is in addition to and not intended as limitation on any other warranty, express or implied.
7. **TERMINATION:** The City reserves the right to terminate this purchase order or delay delivery of acceptance of any products and/or services ordered without penalty upon thirty (30) days written notice to the Vendor.
8. **ASSIGNMENT:** Vendor may not assign, transfer, delegate, or subcontract any right, obligation, performance herein without the prior written consent of the City's Purchasing Manager and any such assignment, transfer, delegation or subcontract without the Purchasing Manager's prior written consent shall be considered null and void.
9. **DEFAULT:** In case of default by the Vendor of any of the conditions of this purchase order, the Vendor agrees that the City may procure the articles or services from other sources and may deduct from the unpaid balance due to the Vendor, or collect against the bond or surety, or may invoice the Vendor for excess costs so paid plus reasonable administrative costs. Prices paid by the City shall be considered the prevailing market price at the time such purchase is made.
10. **LAW AND JURISDICTION:** The validity performance and construction of this order shall be governed by the laws of the State of California. Both parties further agree that Orange County California, shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this agreement.
11. **ADDITIONAL TERMS:** No additional term specified in the bid shall be part of the contract unless affirmatively accepted by the City in writing.

CITY OF SANTA ANA

ATTACHMENT A –
BID FORM

The undersigned declares that they have carefully examined the specifications, have read the accompanying instructions to bidders, and hereby propose to provide the specified items and/or services, in accordance with City needs and/or fund availability and the specifications provided herein.

Indicate unit price for each line item. **Total bid** is to be firm offer for no less than one hundred and eighty (180) calendar days and will be regarded by the City as **bidder's best and final offer**. Quantities listed are for bid comparison only and are subject to change. The City reserves the right to increase or decrease quantities based on current needs. Pricing must be inclusive of all costs, including but not limited to, direct and indirect costs for labor, overhead, insurance, business expenses, incidental supplies, mileage, fuel/fuel surcharges, and any other miscellaneous charges.

PRICING SHALL BE ENTERED IN PLANETBIDS.
ALL REQUIRED FORMS MUST BE COMPLETED AND UPLOADED WITH E-BIDS.

Signed: ______________________________

Title: ______________________________

Firm: ______________________________

Date: ______________________________

THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE BID.
BIDS THAT DO NOT CONTAIN THIS FORM WILL BE CONSIDERED NONRESPONSIVE.

CITY OF SANTA ANA

ATTACHMENT A-1 –
BID SPECIFICATION TABLE

BMW R 1300 RT-P MOTORCYCLE, MODEL YEAR 2026

QUANTITY: ONE (1 UNIT)

REQUESTING DEPARTMENT: POLICE DEPARTMENT

DESCRIPTION	BMW OPTION CODE	QTY	Y/N
Color - Night Black & Alpine White III	753	1	
Gear Shift Assist Pro	222	1	
STANDARD ORDER DECK OPTIONS			
US Authority Package		1	
BMW Electronic Siren		1	
Weather Protection		1	
Tire Pressure Monitors		1	
Heated Seat		1	
Cruise Control		1	
Emergency Warning Lights (10)	**BMW P/N**		
FMS Standard Emergency Lighting Package		1	

THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE BID.
BIDS THAT DO NOT CONTAIN THIS FORM WILL BE CONSIDERED NONRESPONSIVE.

(Updated design) Blue License Plate ID Light Kit	FMSA-EA-LPIDS	1	
Convenience Options			
BMW Motorrad Battery Charger (2.5 Ah)	61 43 2 408 594	1	
Additional Items Provided by Dealer			
AR Assault Rifle Mount	71 60 25 28 94	1	
AR/Shotgun Mounting Bracket	71 60 2 452 840		
Pr24 / Flashlight Holder L/H	71 60 2452 389R	1	
Front 12v Power Outlet (lighter style)	71 60 2 407 785	1	
USB Power Outlet w/ volt meter	FMSA-EA-USB2	1	
Fused Front Power Socket Harness	71 60 2 409 958	1	
Clear Water Lights-Darla Fog Light Kit	D51	1	
Stalker X-Series Lidar Holster; Shall be installed Onto RH Crash bar	Vendor to Select Correct Holster	1	
Printer Case for Zebra Printer Model # ZQ521; Shall be Mounted Onto RH Crash Bar	Vendor to Select Correct Holster	1	

CITY OF SANTA ANA

ATTACHMENT A-2 – BID SPECIFICATION TABLE

BMW R 1300 RT-P MOTORCYCLE, MODEL YEAR 2026

QUANTITY: ONE (1 UNIT)

REQUESTING DEPARTMENT: POLICE DEPARTMENT

DESCRIPTION	BMW OPTION CODE	QTY	Y/N
Color - Night Black & Alpine White III	753	1	
Gear Shift Assist Pro	222	1	
STANDARD ORDER DECK OPTIONS			
US Authority Package		1	
BMW Electronic Siren		1	
Weather Protection		1	
Tire Pressure Monitors		1	
Heated Seat		1	
Cruise Control		1	
Emergency Warning Lights (10)	**BMW P/N**		
FMS Standard Emergency Lighting Package		1	

THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE BID.
BIDS THAT DO NOT CONTAIN THIS FORM WILL BE CONSIDERED NONRESPONSIVE.

(Updated design) Blue License Plate ID Light Kit	FMSA-EA-LPIDS	1	
Convenience Options			
BMW Motorrad Battery Charger (2.5 Ah)	61 43 2 408 594	1	
Additional Items Provided by Dealer			
AR Assault Rifle Mount	71 60 25 28 94	1	
AR/Shotgun Mounting Bracket	71 60 2 452 840	1	
Pr24 / Flashlight Holder L/H	71 60 2452 389R	1	
Front 12v Power Outlet (lighter style)	71 60 2 407 785	1	
USB Power Outlet w/ volt meter	FMSA-EA-USB2	1	
Fused Front Power Socket Harness	71 60 2 409 958	1	
Clear Water Lights-Darla Fog Light Kit	D51	1	
Stalker II-Series Radar Holster; Shall be installed Onto RH Crash bar	Vendor to Select Correct Holster	1	
Printer Case for Zebra Printer Model # ZQ521; Shall be Mounted Onto RH Crash Bar	Vendor to Select Correct Holster	1	

CITY OF SANTA ANA

ATTACHMENT B – BIDDER'S CERTIFICATION

____

LEGAL NAME OF COMPANY TYPE OF BUSINES STRUCTURE

____

BUSINESS ADDRESS

____

NAME OF AUTHORIZED AGENT TITLE

____

E-MAIL ADDRESS PHONE NUMBER

SMALL, LOCAL BUSINESS PREFERENCE

Is your firm claiming small, local business preference for this solicitation?

- ☐ Yes, my firm is a small Santa Ana business*
- ☐ Yes, my firm is a small Orange County business**
- ☐ No, my firm is not claiming local business preference

*Small Santa Ana business shall mean a business certified by the state department of general services as a small business, which has a substantial presence through either a headquarters or branch office within the geographical boundaries of the city, and which headquarters or branch office was established prior to the city inviting bids for the respective procurement.

**Small Orange County business shall mean a business certified by the state department of general services as a small business, which has a substantial presence through either a headquarters or branch office within the geographical boundaries of Orange County, and which headquarters or branch office was established prior to the city inviting bids for the respective procurement.

IF YOU ANSWERED YES, THEN YOU MUST SUBMIT YOUR BUSINESS LICENSE AND CA DEPARTMENT OF GENERAL SERVICES SMALL BUSINESS CERTIFICATION WITH YOUR BID. A post office box address within the city shall not qualify as a valid business location.

Bidder understands and agrees that this written IFB (or any part thereof specifically designated and accepted by the City of Santa Ana, hereinafter City) shall constitute the entire agreement between Bidder and the City only after it has been accepted by the City Council, endorsed by the Clerk of the Council with her signature and official seal noting hereon the action of approval of the Council, signed by the Executive Director or his duly authorized agent, and signed by the City Attorney, denoting her approval of the form of this document, and its execution, and when it or an exact copy of it has been either delivered to Bidder or deposited with the United States Postal Service properly addressed to the Bidder with the correct postage affixed thereto.

THIS <u>FORM MUST BE COMPLETED</u> AND <u>INCLUDED WITH THE BID</u>.
BIDS THAT DO NOT CONTAIN THIS FORM WILL BE CONSIDERED NONRESPONSIVE.

Bidder further agrees that upon delivery (as defined above) of the accepted agreement he/she will furnish City all required bonds and certificate of liability insurance within ten (10) days (excluding Saturdays, Sundays and City's legal holidays), or the funds, check, draft, or Bidder's bond substituted in lieu thereof accompanying this bid shall become the property of the City and shall be considered as payment of damages due to the delay and other causes suffered by City because of the failure to furnish the necessary bonds and because it is distinctly agreed that the proof of damages actually suffered by City is difficult to ascertain; otherwise said funds, check drafts, or Bidder's bond substituted in lieu thereof shall be returned to the undersigned.

Bidder understands that a bid is required for the entire work, that the estimated quantities set forth in the IFB schedule are solely for the purpose of comparing bids, and that final compensation under the contract will be based upon the actual quantities of work satisfactorily completed.

All terms contained in the specifications, the certification of nondiscrimination by contractors, and the required insurance certificates are to be incorporated by reference into this agreement and are made specifically as part of this IFB.

Certification - I certify that I have read, understand and agree to the terms and conditions of this Invitation for Bids. I have examined the Scope of Services (Exhibit 1) and am qualified to provide services being requested as specified herein. I understand and agree that I am responsible for reporting any errors, omissions or discrepancies to the City for clarification prior to the submission of my bid.

BIDDER'S STATEMENTS: I have read, understood and agree to the terms and conditions on all pages of the Invitation for Bids, including all Exhibits. I am able to provide the required insurance coverage and endorsements. Upon request, I will transfer and deliver goods or services to the City in accordance with said terms and conditions.

CHECK ONE (1) BOX BELOW

- ☐ I have read, understood and agree to any and all provisions, including but not limited to insurance requirements and terms and conditions, contained in Exhibit 1 – Specifications and Exhibit 2 – Sample Terms and Conditions
- ☐ I have concerns to the provisions contained in Exhibit 2 – Sample Terms and Conditions and have included them in my bid submission for consideration.

CHECK ONE (1) BOX BELOW

Are you registered, active, and in good standing with the California Secretary of State?

- ☐ Yes
- ☐ No

Comments: ____

Signed: ______________________________

Title: ______________________________

Firm: ______________________________

Date: ______________________________

THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE BID.
BIDS THAT DO NOT CONTAIN THIS FORM WILL BE CONSIDERED NONRESPONSIVE.

ATTACHMENT C – DEBARMENT QUESTIONNAIRE

The (Proposer/Bidder/Contractor/Consultant) shall complete, under penalty of perjury, the following questionnaire:

Has the (Proposer/Bidder/Contractor/Consultant), any officer of the (Proposer/Bidder/Contractor/Consultant), or any employee of the (Proposer/Bidder/Contractor/Consultant) who has a proprietary interest in the (Proposer/Bidder/Contractor/Consultant), ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or a safety regulation?

Yes__________ No_________

If the answer is yes, explain the circumstances in the following space:

THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE BID.
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ATTACHMENT D – NON-LOBBYING CERTIFICATION

The prospective participant certifies, by signing and submitting this bid or bid, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative 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 Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in conformance with its instructions.

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 Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

The prospective participant also agrees by submitting his or her bid or bid that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed $100,000 and that all such subrecipients shall certify and disclose accordingly.

Signed: ______________________________

Title: ______________________________

Firm: ______________________________

Date: ______________________________

THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE BID.
BIDS THAT DO NOT CONTAIN THIS FORM WILL BE CONSIDERED NONRESPONSIVE.

ATTACHMENT E – NON-DISCRIMINATION CERTIFICATION

The undersigned consultant or corporate officer, during the performance of this contract, certifies as follows:

1. The Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Consultant shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without, regard to their race, color, religion, sex, or national origin. Such action shall 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.

2. The Consultant shall, 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, or national origin.

3. The Consultant shall send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Consultant's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The Consultant shall comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

5. The Consultant shall furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his/her books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation, to ascertain compliance with such rules, regulations, and orders.

6. In the event of the Consultant's non-compliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, the contract may be canceled, terminated, or suspended in whole or in part and the Consultant may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Execution 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, regulations, or order of the Secretary of Labor, or as otherwise provided by law.

7. The Consultant shall include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the 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 subcontract or purchase order as the administering agency may direct as means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the Consultant becomes involved in, or is threatened with, litigation with a subconsultant or vendor as a result of such direction by the administering agency, the

Consultant may request that the United States enter into such litigation to protect the interests of the United States.

8. Pursuant to California Labor Code Section 1735, as added by Chapter 643 Stats. 1939, and as amended, no discrimination shall be made in the employment of persons upon public works because of race, religious creed, color, national origin, ancestry, physical handicaps, mental condition, marital status, or sex of such persons, except as provided in Section 1420, and any consultant of public works violating this Section is subject to all the penalties imposed for a violation of the Chapter.

Signed: ______________________________

Title: ______________________________

Firm: ______________________________

Date: ______________________________

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CITY OF SANTA ANA

ATTACHMENT F –
NON-COLLUSION AFFIDAVIT

(Title 23 United States Code Section 112 and Public Contract Code Section 7106)

To the CITY OF SANTA ANA

In accordance with Title 23 United States Code Section 112 and Public Contract Code 7106 the bidder declares that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Note: The above non-collusion affidavit is part of the bid. Signing this bid on the signature portion thereof shall also constitute signature of this non-collusion affidavit. Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

Signed____

State of ________, County of ____

Subscribed and sworn to (or affirmed) before me on this________ day of_____________, 20____, by _________________________, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

____
Notary Public Signature

Notary Public Seal

THIS FORM MUST BE COMPLETED AND INCLUDED WITH THE BID.
BIDS THAT DO NOT CONTAIN THIS FORM WILL BE CONSIDERED NONRESPONSIVE.

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CYPRESS, ALSO ACTING AS THE EX OFFICIO GOVERNING BOARD OF DIRECTORS OF THE CYPRESS RECREATION AND PARK DISTRICT, APPROVING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2026 AND ENDING JUNE 30, 2027 (POLICE MOTORCYCLES).

WHEREAS, at its special meeting on May 13, 2026, the City Council received and filed the Fiscal Year 2026-27 Proposed Budget and Capital Improvement Program, provided direction regarding the Decision Package, and scheduled the budget for consideration at the June 9, 2026, City Council meeting; and

WHEREAS, the City Manager submitted to the City Council a proposed budget for Fiscal Year 2026-27 in compliance with Section 1001 of the City Charter; and

WHEREAS, on June 9, 2026, the City Council adopted a budget for the 2026-2027 Fiscal Year; and

WHEREAS, amendments must periodically be made to the budget to conform to changed circumstances following adoption of the budget.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CYPRESS, ALSO ACTING AS THE EX OFFICIO GOVERNING BOARD OF DIRECTORS OF THE CYPRESS RECREATION AND PARK DISTRICT:

SECTION 1. The City Council hereby approves Budget Amendment No. 2027-06, attached hereto as Attachment A, for Fiscal Year 2026-27.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall enter the same in the book of original resolutions and it shall become effective immediately.

PASSED AND ADOPTED by the City Council of the City of Cypress at a regular meeting held on the 8th day of September, 2026.

____

MAYOR OF THE CITY OF CYPRESS

ATTEST:

____

CITY CLERK OF THE CITY OF CYPRESS

STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS

I, LISA BERGLUND, City Clerk of the City of Cypress, DO HEREBY CERTIFY that the foregoing Resolution was duly adopted at a regular meeting of the said City Council held on the 8th day of September, 2026, by the following roll call vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

____
CITY CLERK OF THE CITY OF CYPRESS

Attachment A

City of Cypress
Fiscal Year 2026-27
Budget Amendment No. 2027-06
Police Motorcycles

Fund No. - Fund Name	Current Budget	Proposed Amendment	Amended Budget
721 - City Capital Replacement Fund			
Revenue	632,734		632,734
Expenditures	972,700	14,250	986,950
Net Change in Fund Balance	**-$339,966**	**-$14,250**	**-$354,216**

CITY OF CYPRESS

CITY COUNCIL REPORT

City Council Regular **4.**

FROM: Stephanie Sikkema, Director of Finance and Administrative Services

DATE: 09/08/2026

SUBJECT: **Adopt Resolutions Establishing Benefits for Executive Management and Mid-Management Employees**

RECOMMENDATION

1. Adopt a Resolution establishing the Schedule of Benefits for Executive Management employees;

2. Adopt a Resolution establishing the Schedule of Benefits for Mid-Management employees; and

3. Authorize the City Manager to update, modify, and add ancillary employee benefits, provided that any associated costs remain within the City Manager's established purchasing authority and budget.

DISCUSSION

Benefits for Executive Management and Mid-Management employees are established and outlined in a Schedule of Benefits. These two schedules are updated and approved by the City Council at least annually to incorporate changes to health benefits; the schedules may also be updated throughout the year as necessary.

The Schedule of Benefits contains a formula for determining the monthly health benefit allowance (medical, dental and vision) provided to management employees, and the allowance is adjusted each year (typically in September) in advance of open enrollment. The formula is based on the insurance rates for the upcoming calendar year, which typically become available in August. Effective January 1, 2027, the monthly health benefit allowance will adjust from $2,711.03 to $2,998.19 for both Executive Management and Mid-Management employees.

The revised Schedule of Benefits also includes miscellaneous, non-substantive clerical corrections and language updates consistent with current practice.

Additionally, staff is seeking authorization to update, modify, and add ancillary employee-funded benefits on an annual basis, provided that any associated costs remain within the City Manager’s established purchasing authority and budget. This will allow the City to respond efficiently to market changes, maintain competitiveness in employee benefit offerings, and ensure timely implementation of cost-effective options without requiring separate approval actions.

BUDGET IMPACT

The 2027 budgetary impact on health benefits is approximately $20,000 for the fiscal year. At this time, this should be able to be absorbed within the existing budget.

LEGAL REVIEW

The City Attorney reviewed this staff report.

APPROVED BY: Shannon DeLong, City Manager

Attachments

Resolution - Executive Management Schedule of Benefits
Exhibit A - Executive Management Final Version
Resolution - Mid Management Schedule of Benefits
Exhibit A - Mid Management Final Version
Exhibit A - Executive Management Redline Version
Exhibit A - Mid Management Redline Version

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CYPRESS, AND ACTING AS EX OFFICIO GOVERNING BOARD OF DIRECTORS OF THE CYPRESS RECREATION AND PARK DISTRICT AMENDING RESOLUTION NO. 7036 ESTABLISHING BENEFITS FOR EXECUTIVE MANAGEMENT EMPLOYEES.

WHEREAS, the City Council establishes benefits for Executive Management employees through adoption of a Resolution specifying benefits to be received; and

WHEREAS, Executive Management positions shall be provided health and life insurance coverage and leave benefits provided to other employee bargaining units in the City; and

WHEREAS, benefits for Executive Management employees are established and outlined in a Schedule of Benefits; and

WHEREAS, the health insurance cafeteria allowance for Executive Management employees is adjusted annually utilizing a formula contained in the Schedule of Benefits.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Cypress, and acting as ex-officio governing Board of Directors of the Cypress Recreation and Park District, HEREBY DOES RESOLVE, DETERMINE and ORDER, that Resolution No. 7036 be amended as indicated below:

SECTION 1. That the schedule of Benefits shown in Exhibit A shall apply for all City of Cypress employees classified as Executive Management employees.

SECTION 2. That Exhibit A shall reflect other language clarification changes.

SECTION 3. This Resolution shall be effective on September 8, 2026, and all resolutions and parts of resolutions in conflict herewith are hereby rescinded.

PASSED AND ADOPTED by the City Council of the City of Cypress, and acting as ex-officio governing Board of Directors of the Cypress Recreation and Park District, at a regular meeting held on the 8th day of September, 2026.

____
MAYOR OF THE CITY OF CYPRESS

ATTEST:

____
CITY CLERK OFTHE CITY OF CYPRESS

STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS

I, LISA BERGLUND, City Clerk of the City of Cypress, DO HEREBY CERTIFY that the foregoing Resolution was duly adopted at a regular meeting of the said City Council held on the 8th day of September, 2026, by the following roll call vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

____
CITY CLERK OF THE CITY OF CYPRESS

EXHIBIT 'A'

CITY OF CYPRESS
SCHEDULE OF BENEFITS
EXECUTIVE MANAGEMENT EMPLOYEES

PART I - HOLIDAYS

Section 1. Recognized Holidays.

A. For pay purposes, the following holidays are recognized as municipal holidays for regular employees. Said employees shall receive these holidays off with pay: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the Friday following Thanksgiving Day, Christmas Eve Day and Christmas Day. Employees will earn nine hours of holiday leave as the holiday occurs. Unused holiday hours will be placed in a holiday leave bank for future use. There will be no cash payment or carryover for unused holiday.

B. Beginning the first pay period of the payroll year, current employees shall be credited with one floating holiday (9 hours). Employees hired after the beginning of the payroll year, but before September 1, will be credited with the floating holiday. Floating holiday must be taken as paid time off in the credited payroll year. There shall be no cash payment for unused floating holiday.

C. When any holiday, recognized by the City, falls on a Sunday, the following Monday shall be considered the holiday; when any day, recognized by the City as a holiday, falls on a Saturday, the preceding Friday shall be considered the holiday.

Section 2. Holidays Falling During Approved Leaves of Absence Without Pay. Any employee on an approved leave of absence without pay, having the holiday fall during the period of such leave of absence without pay, shall be eligible for such holiday pay only in those instances where said employee has worked either the day before or the day immediately following said holiday.

PART II - VACATION

Section 1. Eligibility. All regular, full-time employees, having completed a minimum of six months continuous service with the City, and annually, thereafter, shall be eligible for a paid vacation at the employee's then current rate of pay. Recognizing that it is preferred that the full vacation be taken at one time, the employee may, nevertheless, request a modification of this preference. Upon approval of the City Manager, appropriate modifications may be allowed.

Section 2. Vacation Accrual.

Employees shall accrue vacation leave by the following formula:

Hours/Month	Year of Employment	Annual Amount (Hours)
10.0000	1st – 6th year	(120 hours)
10.6667	7th year	(128 hours)
11.3334	8th year	(136 hours)
12.0000	9th year	(144 hours)
12.6667	10th year	(152 hours)
13.3334	11th year	(160 hours), and each month thereafter.

Section 3. Maximum Accrual.

A. Employees may accumulate unused vacation to a maximum of 360 hours. The accrual of vacation hours shall cease when an employee's accumulated vacation is at the maximum. However, the value of vacation hours earned in excess of the maximum accrual will be contributed towards the employee's Retiree Health Savings Plan. Additional vacation hours shall begin accruing when the employee's vacation balance falls below the maximum.

B. For purposes of this Article, the term "anniversary date of employment" is the date an employee began accruing vacation with the City.

Section 4. Use of Vacation.

An employee who has completed five years or more of continuous service and who has taken 40 cumulative hours of vacation in the current payroll year may elect to be paid for up to a maximum of 80 hours of accrued vacation in the following calendar year. To request payment of up to 80 hours, the employee must submit an irrevocable election form to Human Resources by December 15 of the prior calendar year for the requested payment in the subsequent December's special payroll. For example, if an employee submits a payout request of 80 hours prior to December 15, 2025 and is deemed eligible to receive a payout, the employee will be paid for 80 hours in December 2026.

Section 5. Vacation Payment at Termination.

A. Employees terminating employment shall be paid in a lump sum for all accrued vacation leave.

B. When termination is caused by the death of the employee, said payment for unused vacation shall be paid to the beneficiary designated by the employee. Such designation shall be in writing, signed by the employee and filed with the Human Resources Office. In the event an employee has not designated a beneficiary, the payment shall be made to the estate of the employee.

Section 6. Holidays Falling During Vacation Leave. In the event one or more municipal holidays fall within an annual vacation leave, such holiday shall not be charged as vacation leave and the vacation leave shall be extended accordingly.

Section 7. Vacation Earned During Leave of Absence. No vacation leave shall be earned during any leave of absence without pay for each 30-day period of such leave. Vacation leave shall be earned on a prorated basis during a leave of absence on partial pay status.

Section 8. Vacation - Miscellaneous. Employees shall not work for the City during their vacation and, thereby, receive double compensation from the City.

PART III - SICK LEAVE

Section 1. General Sick Leave Provisions.

A. Sick leave shall be requested only in cases of actual personal sickness or disability, medical or dental treatment, or as authorized by the City Manager or the Personnel Officer under the provisions of the Federal Family Medical Leave Act and/or the California Family Rights Act, California Labor Code Section 233 (use of sick leave) or the Healthy Workplace Healthy Family Act of 2014. Sick leave with pay shall not be allowed unless the employee has met and complied with these provisions and the City Manager has approved such payment.

Section 2. Eligibility. All employees covered by this Agreement shall be eligible to accrue sick leave.

Section 3. Accrual. Sick leave shall be accrued at the rate of eight hours per calendar month for each calendar month that an employee has worked regularly scheduled hours and/or has been on authorized leave which provides for full pay, for at least 15 working days in that month. Sick leave shall be earned on a prorated basis during a leave of absence on partial pay status.

Section 4. Accumulation and Payment Plan.

A. Accrued sick leave may be accumulated without limit.

B. Payment of accumulated sick leave shall be granted by the Personnel Officer on an annual basis to all regular employees who have a minimum of 120 hours of accumulated sick leave on record on December 1st, and opt to receive payment of up to 48 hours of sick leave, during the subsequent December's special payroll at a rate of 50% of current salary. Employees must have a minimum balance of 120 hours after the payment of sick leave to be eligible for the payout.

C. Payment of accumulated sick leave shall be granted by the Personnel Officer on an annual basis to all employees who have a minimum of 240 hours of accumulated sick leave on record on December 1st, and opt to receive payment of up to 48 hours of sick leave, during the subsequent December's special payroll, at a rate of 100% of current salary. Employees must have a minimum balance of 120 hours after payment of sick leave to be eligible for the payout.

D. Employees wishing to cash out sick leave as described in Section 4. (B) and (C) above, must submit an irrevocable election form to Human Resources by December 15 for payment on the subsequent December's special payroll. For example, if an employee submits a payout request for the maximum 48 hours prior to December 15, 2025, payment will be issued in December 2026 (if eligible).

E. In accordance with the annual conversion policy set forth in Section 4. (B), (C) and (D) above, employees shall have the option of depositing their sick leave payment in a City deferred compensation program instead of receiving payment in cash. All deposits made into the deferred compensation program shall be made in accordance with any and all regulations governing the deferred compensation program.

F. Upon death, retirement, separation or termination of an employee covered by this Agreement, with a minimum of 60 days or 480 hours of sick leave accumulation, said employee is entitled to receive 50% compensation for that accumulated sick leave.

G. Upon death, retirement, separation or termination of an employee covered by this Agreement, with a minimum of five years of service and with between 240 hours and 480 hours of sick leave accumulation, said employee is entitled to receive payment for the difference between that amount of sick leave and 240 hours at 50% compensation.

H. If the Chief of Police was promoted and was previously a member of the Cypress Police Management Association (PMA), upon service retirement or termination, they will be entitled to receive payment of accumulated sick leave hours earned prior to promotion to Chief of Police, consistent with the terms of the PMA Memorandum of Understanding in effect at the time of promotion. Accumulated sick leave hours will be documented at the time of promotion and shall be paid to the Chief of Police at the highest hourly rate within the PMA upon separation from employment. Sick leave hours accumulated as Chief of Police will be paid in accordance with the sections above. If the Chief of Police is terminated for misconduct, they are ineligible for this payment.

I. In accordance with the payment plan set forth in Section 4 (F) and (G) above, upon separation, termination or retirement of an employee covered by this Agreement, said employee shall have the option of depositing their sick leave payment in a City deferred compensation program, instead of receiving payment in cash. All deposits made into the deferred compensation program shall be made in accordance with any and all regulations governing the deferred compensation program.

Section 5. Use.

A. Sick leave may be requested and approved by the City Manager. Payment for approved sick leave shall be authorized until the employee's accumulated total of sick leave hours has been exhausted and at such time the employee shall receive no further payment for sick leave. An employee shall have their accumulated sick leave balance reduced by an amount equal to the number of hours of sick leave for which they receive payment.

B. Sick leave shall not be granted for disability arising from any sickness or injury purposely self-inflicted or caused by an employee's own willful misconduct.

Section 6. Sick Leave During Vacation. An employee who becomes ill while on vacation may have such period of illness charged to their accumulated sick leave. The employee may request an extension of vacation due to illness, subject to the approval of the City Manager.

Section 7. Extended Sick Leave. In the event of an employee's continuing illness which results in depletion of sick leave accumulation, the employee may request, in writing, to the City Manager, a leave of absence without pay for the purpose of recovering from an illness, provided:

1. The employee has used all of their accumulated sick leave.

2. The employee presents to the City Manager, a written estimate of the time needed for recovery signed by the employee's physician.

3. Prior to resuming their duties, the employee may be required to take a medical examination at the City’s expense and provide a medical release to return to work from the employee's physician as prescribed by the City Manager. The employment record and the results of such examination shall be considered by the City Manager in determining the employee's fitness to return to work.

Section 8. Federal Medical Leave Act and the California Family Rights Act

The City shall comply with the Federal Medical Leave Act of 1993 (FMLA) and the California Family Rights Act (CFRA) of 1991. Where there are differences between similar provisions of the Acts, the City shall comply with the provision which gives the employee the greater rights.

Section 9. On-the-job Injury. Employees who are disabled by injury or illness arising out of and in the course of their duties for the City, shall be entitled, regardless of their period of service with the City, to a leave of absence for the period of such disability, but not exceeding one (1) year, or until such earlier date as they are retired on permanent disability pension. Employees are eligible for up to four months of salary continuation in lieu of temporary disability payments. During the first five working days of such disability, the City shall pay 100% of the salary in lieu of temporary disability payments. Thereafter, the employee shall receive 80% of salary in lieu of temporary disability payments. Any payments made pursuant to this Section shall not be charged to sick leave; provided, however, no sick leave or vacation benefits shall accrue during the period of such disability.

Section 10. Off-the-job Injury. An employee injured outside of their service with the City may apply for benefits under the disability insurance plan provided by the City.

Section 11. California Labor Code Section 233

Pursuant to California Labor Code Section 233, employees may use a total of 48 hours of their accrued and available sick leave for the following reasons:

1. To attend to the illness of their child, parent, spouse, registered domestic partner, parent-in-law, grandparent, grandchild, sibling or designated person.
2. To obtain any relief of services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate certification of the need for such services:

    a. A temporary restraining order or restraining order.
    b. Other injunctive relief to help ensure the health, safety or welfare of themselves or their children.
    c. To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
    d. To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.
    e. To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.
    f. To participate in safety planning and take other action to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

ARTICLE IV - HEALTH, DENTAL, VISION, LIFE AND DISABILITY INSURANCE

Section 1. Health Insurance Plan.

A. For the employees covered by the terms of this Agreement, the City and the employees shall contribute the sums listed below per month per employee toward health insurance:

MEDICAL RATE PROVISIONS AND SCHEDULE

Health Insurance Benefit: The City shall provide health insurance coverage for the employee and any dependents which may include medical, dental and vision insurance plans. Effective January 1, 2027, the maximum contribution amount will increase from $2,711.03 to $2,998.19 per month. Annual increases to the City's monthly contributions shall be based upon the average cost of all area HMO plans offered through the PERS Health Plan (2026 $2,547.82/ 2027 $2,832.75) plus the DPO Dental Family rate (2026 $137.40/ $2027 $141.60) and the Family Vision rate (2026 $25.81/ 2027 $23.84). Employees shall maintain the PERS Health Plan minimally at the employee-only coverage level, unless the employee demonstrates proof of other group coverage. Coverage under dental and vision plans shall be optional.

If the City's contribution exceeds the total premium cost of health plans chosen by the employee, the difference may be contributed toward additional/dependent coverage, including additional life insurance, or paid as additional compensation.

If the total premium cost of health plans chosen by the employee exceeds the City's contribution, the employee shall pay, through payroll deduction, the difference between the total cost and the City's contribution. The employee's exercise of the option to use the difference toward additional/dependent health coverage or receive the additional cash as compensation is subject to the conditions controlling enrollment periods and eligibility established by the respective plans or carriers.

B. Retiree Health Savings Plan. The City will contribute $185 per month for each employee participating in the Retiree Health Savings Plan.

C. Retiree Health Savings Program. Full-time employees who promote to a management classification, and have previously opted to grandfather into the Supplemental Health Care Benefit Program, may elect to remain in the program in lieu of mandatory enrollment in the Retiree Health Savings Plan.

D. 401(a) Retirement Savings Plan. The City will contribute $200 per month.

<u>Section 2.</u> Life Insurance Plan.

The City shall pay 100% of the premium for a term life insurance policy for each eligible employee which shall be based upon a formula equal to one times the employee's annual salary rounded up to the nearest thousand dollars up to $300,000.

<u>Section 3.</u> Disability Insurance Plan. The City shall provide a short-term and long-term disability insurance plan for all employees covered by this agreement. The City shall pay 100% of the premium.

<u>Section 4.</u> Executive Wellness Program. Employees may request reimbursement for a maximum of $1,000 on an annual basis for eligible wellness program expenses as determined by the Personnel Officer.

PART V – RETIREMENT

<u>Section 1.</u> The City shall make contributions for employees to the California Public Employees Retirement System (CalPERS) plan known as 2% at 55 for "Classic" Miscellaneous members and 3% at 50 for "Classic" Safety members. "Classic" Miscellaneous employees hired prior to June 30, 2010 shall contribute 3% of salary towards their CalPERS retirement plan.

<u>Section 2.</u> Employees hired after June 30, 2010, if determined to be "Classic" Miscellaneous members, shall contribute 6% of salary towards their CalPERS retirement plan.

<u>Section 3.</u> The Chief of Police, if determined to be a "Classic" Safety member, shall contribute 12% of salary towards their CalPERS retirement plan.

<u>Section 4.</u> Employees hired after January 1, 2013 and are new to CalPERS, or have had a six month or more break in service, are considered "PEPRA" members and are subject to all laws, statutes, rules and regulations of the Public Employees' Pension Reform Act (PEPRA).

<u>Section 5.</u> The City's CalPERS contract shall provide the Survivor's Continuance Benefit to employees.

<u>Section 6.</u> The City's CalPERS contract shall provide for the 1959 Survivor's Benefit (Level 3). The City shall make the employees' contribution in the amount of $2.00 per month.

Section 7. The City's CalPERS contract shall provide for the "Single Highest Year Compensation" benefit for eligible employees. The City shall pay for the entire cost of this benefit.

PART VI - AUTO ALLOWANCE

A monthly auto allowance will be provided in the amount of $500. The Chief of Police has the option of being provided a City vehicle in lieu of the auto allowance.

PART VII – TECHNOLOGY ALLOWANCE

A $100 monthly technology allowance will be provided to purchase and maintain personal technology devices (i.e. cell phone, computer, tablet) and/or services (i.e. internet, cell phone service) to perform the duties of their position.

PART VIII – UNIFORM ALLOWANCE

The Police Chief shall receive a Uniform Allowance of $850 per year.

PART IX – SPECIAL PAY PROVISION

Section 1. Executive Manager Lead Assignment. The City may designate any Executive Management employee to the Executive Manager Lead Assignment. The employee so assigned will lead and supervise over other managers. An employee who is routinely and consistently assigned to the Executive Manager Lead Assignment shall receive special assignment pay equal to 5% over base pay for such duties. The City Manager may remove an employee from the assignment at the City Manager's discretion.

Section 2. Management Performance Recognition Program. The City Manager may recognize the outstanding performance of Executive Management employees. Based upon criteria and the sole discretion of the City Manager, employees will be eligible to receive a one-time payment up to 5% of base salary within a 12-month period. Such amounts shall be payable in conjunction with an employee's performance review.

Section 3. Severance. Employees are entitled to four months' base salary if terminated without cause.

"Cause" for termination shall include, but not limited to the following: persistent, habitual or willful neglect of duty; insubordination; corrupt of willful misconduct; willful malfeasance or conviction of an illegal act amounting to an act of moral turpitude; willful destruction or misuse of City property; habitual intoxication while on duty, whether by alcohol, prescription or non-prescription drugs; inexcusable absence without an authorized leave of absence; theft or attempted theft; financial mismanagement; material dishonesty; willful violation of Federal or State discrimination and harassment laws while acting in the course and scope of employment; willful and unlawful retaliation against any City officer or employee; engaging in conduct tending to bring embarrassment or disrepute to the City.

Severance pay is contingent upon the following conditions:

a) The employee must execute a comprehensive waiver and release of all claims against the City, its officials, employees, and agents, in a form approved by the City Attorney.

b) The waiver and release must become effective and irrevocable. This includes the expiration of any applicable revocation period required by law, such as the 7-day revocation period for employees age 40 and over under the Age Discrimination in Employment Act.

c) The employee must comply with all post-employment obligations outlined in the severance agreement, including but not limited to return of City property.

d) Severance pay will be provided only for involuntary terminations without cause. It does not apply to voluntary resignations or terminations for cause.

e) Severance pay shall be subject to all applicable taxes and withholdings required by law.

f) Employees will be advised in writing to consult with an attorney before signing the severance agreement.

PART X – ACTING CITY MANAGER

In the absence of a regularly appointed City Manager, the City Council may designate any Executive Management employee to serve as Acting City Manager on a temporary basis. The Acting City Manager will have the powers and duties described in Chapter 2, Article II of the Cypress Municipal Code.

An employee who is assigned to serve as the Acting City Manager shall receive additional compensation pay equal to 10% of their regular base pay plus any special assignment pay, for performing such duties for the duration of the appointment, which shall not exceed the limits in Government Code section 20480(a). The City Council may revoke the assignment, or remove an employee from the assignment, any time at the City Council's discretion. The assignment shall also end immediately upon the City Council's appointment of another Acting City Manager, Interim City Manager or permanent City Manager.

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CYPRESS, AND ACTING AS EX OFFICIO GOVERNING BOARD OF DIRECTORS OF THE CYPRESS RECREATION AND PARK DISTRICT AMENDING RESOLUTION NO. 7037 ESTABLISHING BENEFITS FOR MID-MANAGEMENT EMPLOYEES.

WHEREAS, the City Council establishes benefits for Mid-Management employees through adoption of a Resolution specifying benefits to be received; and

WHEREAS, Mid-Management positions shall be provided health and life insurance coverage and leave benefits provided to other employee bargaining units in the City; and

WHEREAS, benefits for Mid-Management employees are established and outlined in a Schedule of Benefits; and

WHEREAS, the health insurance cafeteria allowance for Mid-Management employees is adjusted annually utilizing a formula contained in the Schedule of Benefits.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Cypress, and acting as ex-officio governing Board of Directors of the Cypress Recreation and Park District, HEREBY DOES RESOLVE, DETERMINE and ORDER, that Resolution No. 7037 be amended as indicated below:

SECTION 1. That the schedule of Benefits shown in Exhibit A shall apply for all City of Cypress employees classified as Mid-Management employees.

SECTION 2. That Exhibit A shall reflect other language clarification changes.

SECTION 3. This Resolution shall be effective on September 8, 2026, and all resolutions and parts of resolutions in conflict herewith are hereby rescinded.

PASSED AND ADOPTED by the City Council of the City of Cypress, and acting as ex-officio governing Board of Directors of the Cypress Recreation and Park District, at a regular meeting held on the 8th day of September, 2026.

____

MAYOR OF THE CITY OF CYPRESS

ATTEST:

____

CITY CLERK OFTHE CITY OF CYPRESS

STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS

I, LISA BERGLUND, City Clerk of the City of Cypress, DO HEREBY CERTIFY that the foregoing Resolution was duly adopted at a regular meeting of the said City Council held on the 8th day of September, 2026, by the following roll call vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

____

CITY CLERK OF THE CITY OF CYPRESS

EXHIBIT 'A'

CITY OF CYPRESS
SCHEDULE OF BENEFITS
MID-MANAGEMENT EMPLOYEES

PART I - HOLIDAYS

Section 1. Recognized Holidays.

A. For pay purposes, the following holidays are recognized as municipal holidays for regular employees. Said employees shall receive these holidays off with pay: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the Friday following Thanksgiving Day, Christmas Eve Day and Christmas Day. Employees will earn nine hours of holiday leave as the holiday occurs. Unused holiday hours will be placed in a holiday leave bank for future use. There will be no cash payment or carryover for unused holiday.

B. Beginning the first pay period of the payroll year, current employees shall be credited with one floating holiday (9 hours). Employees hired after the beginning of the payroll year, but before September 1, will be credited with the floating holiday. Floating holiday may be taken subject to approval of the employee's supervisor after consideration of the department workload and other staffing considerations such as, but not limited to, leave schedules of other employees already approved, sick leave and position vacancies. Floating holiday must be taken as paid time off in the credited payroll year. There shall be no cash payment for unused floating holiday.

C. When any holiday, recognized by the City, falls on a Sunday, the following Monday shall be considered the holiday; when any day, recognized by the City as a holiday, falls on a Saturday, the preceding Friday shall be considered the holiday.

D. Religious holidays requested off shall be done so in writing to the employee's supervisor. If approved, such time shall be charged against accumulated vacation or floating holiday leave.

Section 2. Holidays Falling During Approved Leaves of Absence Without Pay. Any employee on an approved leave of absence without pay, having the holiday fall during the period of such leave of absence without pay, shall be eligible for such holiday pay only in those instances where said employee has worked either the day before or the day immediately following said holiday.

PART II - VACATION

Section 1. Eligibility. All regular, full-time employees, having completed a minimum of six months continuous service with the City, and annually, thereafter, shall be eligible for a paid vacation at the employee's then current rate of pay. Recognizing that it is preferred that the full vacation be taken at one time, the employee may, nevertheless, request a modification of this preference. Upon approval of the City Manager, appropriate modifications may be allowed.

Section 2. Vacation Accrual.

Employees shall accrue vacation leave by the following formula:

Hours/Month	Year of Employment	Annual Amount (Hours)
6.6670	1st year	(80 hours)

7.3334	2nd year	(88 hours)
8.0000	3rd year	(96 hours)
8.6667	4th year	(104 hours)
9.3334	5th year	(112 hours)
10.0000	6th year	(120 hours)
10.6667	7th year	(128 hours)
11.3334	8th year	(136 hours)
12.0000	9th year	(144 hours)
12.6667	10th year	(152 hours)
13.3334	11th year	(160 hours), and each month thereafter.

Section 3. Maximum Accrual.

A. Employees may accumulate unused vacation to a maximum of the amount accrued in the 24 months immediately preceding the employee's anniversary date of employment with a maximum of 320 hours. The accrual of vacation hours shall cease when an employee's accumulated vacation is at the maximum provided in this Section. However, the value of vacation hours earned in excess of the maximum accrual will be contributed towards the employee's Retiree Health Savings Plan. Additional vacation hours shall begin accruing when the employee's vacation balance falls below the maximum.

B. For purposes of this Article, the term "anniversary date of employment" is the date an employee began accruing vacation with the City.

Section 4. Use of Vacation.

A. The time at which an employee's vacation is to occur shall be determined by the employee's supervisor with due regard for the wishes of the employee and particular regard for the needs of the service.

B. An employee who has completed five years or more of continuous service and who has taken 40 cumulative hours of vacation in the current payroll year may elect to be paid for up to a maximum of 80 hours of accrued vacation in the following calendar year. To request payment of up to 80 hours, the employee must submit an irrevocable election form to Human Resources by December 15 of the prior calendar year for the requested payment in the subsequent December's special payroll. For example, if an employee submits a payout request of 80 hours prior to December 15, 2025 and is deemed eligible to receive a payout, the employee will be paid for 80 hours in December 2026.

Section 5. Vacation Payment at Termination.

A. Employees terminating employment shall be paid a lump sum for all accrued vacation leave.

B. When termination is caused by the death of the employee, said payment for unused vacation shall be paid to the beneficiary designated by the employee. Such designation shall be in writing, signed by the employee and filed with the Human Resources Office. In the event an employee has not designated a beneficiary, the payment shall be made to the estate of the employee.

Section 6. Holidays Falling During Vacation Leave. In the event one or more municipal holidays fall within an annual vacation leave, such holiday shall not be charged as vacation leave and the vacation leave shall be extended accordingly.

Section 7. Vacation Earned During Leave of Absence. No vacation leave shall be earned during any leave of absence without pay for each 30-day period of such leave. Vacation leave shall be earned on a prorated basis during a leave of absence on partial pay status.

Section 8. Vacation - Miscellaneous. Employees shall not work for the City during their vacation and, thereby, receive double compensation from the City.

PART III - SICK LEAVE

Section 1. General Sick Leave Provisions.

A. Sick leave shall be requested only in cases of actual personal sickness or disability, medical or dental treatment, or as authorized by the City Manager or the Personnel Officer under the provisions of the Federal Family Medical Leave Act and/or the California Family Rights Act, California Labor Code Section 233 (use of sick leave) or the Healthy Workplace Healthy Family Act of 2014. The employee requesting sick leave shall notify their immediate supervisor prior to the time set for reporting to work. Sick leave with pay shall not be allowed unless the employee has met and complied with these provisions and the department head or the City Manager has approved such payment.

Section 2. Eligibility. All employees covered by this Agreement shall be eligible to accrue sick leave.

Section 3. Accrual. Sick leave shall be accrued at the rate of eight hours per calendar month for each calendar month that an employee has worked regularly scheduled hours and/or has been on authorized leave which provides for full pay, for at least 15 working days in that month. Sick leave shall be earned on a prorated basis during a leave of absence on partial pay status.

Section 4. Accumulation and Payment Plan.

A. Accrued sick leave may be accumulated without limit.

B. Payment of accumulated sick leave shall be granted by the Personnel Officer on an annual basis to all regular employees who have a minimum of 120 hours of accumulated sick leave on record on December 1st, and opt to receive payment of up to 48 hours of sick leave, during the subsequent December's special payroll at a rate of 50% of current salary. Employees must have a minimum balance of 120 hours after the payment of sick leave to be eligible for the payout.

C. Payment of accumulated sick leave shall be granted by the Personnel Officer on an annual basis to all employees who have a minimum of 240 hours of accumulated sick leave on record on December 1st, and opt to receive payment of up to 48 hours of sick leave, during the subsequent December's special payroll, at a rate of 100% of current salary. Employees must have a minimum balance of 120 hours after payment of sick leave to be eligible for the payout.

D. Employees wishing to cash out sick leave as described in Section 4. (B) and (C) above, must submit an irrevocable election form to Human Resources by December 15 for payment on the subsequent December's special payroll. For example, if an employee submits a payout request for the maximum 48 hours prior to December 15, 2025, payment will be issued in December 2026 (if eligible).

E. In accordance with the annual conversion policy set forth in Section 4. (B), (C) and (D) above, employees shall have the option of depositing their sick leave payment in a City deferred compensation program instead of receiving payment in cash. All deposits made into the deferred compensation program shall be made in accordance with any and all regulations governing the deferred compensation program.

F. Upon death, retirement, separation or termination of an employee covered by this Agreement, with a minimum of 60 days or 480 hours of sick leave accumulation, said employee is entitled to receive 50% compensation for that accumulated sick leave.

G. Upon death, retirement, separation or termination of an employee covered by this Agreement, with a minimum of five years of service and with between 240 hours and 480 hours of sick leave accumulation, said employee is entitled to receive payment for the difference between that amount of sick leave and 240 hours at 50% compensation.

H. In accordance with the payment plan set forth in Section 4 (F) and (G) above, upon separation, termination or retirement of an employee covered by this Agreement, said employee shall have the option of depositing their sick leave payment in a City deferred compensation program, instead of receiving payment in cash. All deposits made into the deferred compensation program shall be made in accordance with any and all regulations governing the deferred compensation program.

Section 5. Use.

A. Sick leave may be requested and used as approved by the department head or the City Manager. Payment for approved sick leave shall be authorized until the employee's accumulated total of sick leave hours has been exhausted and at such time the employee shall receive no further payment for sick leave. An employee shall have their accumulated sick leave balance reduced by an amount equal to the number of hours of sick leave for which he/she receives payment.

B. Sick leave shall not be granted for disability arising from any sickness or injury purposely self-inflicted or caused by an employee's own willful misconduct.

Section 6. Sick Leave During Vacation. An employee who becomes ill while on vacation may have such period of illness charged to his/her accumulated sick leave provided that: immediately upon return to duty, the employee submits to their department head a written request for sick leave and a written statement signed by their physician that includes the dates of illness; and the department head recommends and the City Manager approves granting of such sick leave. The employee may request an extension of vacation due to illness, subject to the approval of the department head and City Manager.

Section 7. Extended Sick Leave. In the event of an employee's continuing illness which results in depletion of sick leave accumulation, the employee may request, in writing, to their department head and City Manager, a leave of absence without pay for the purpose of recovering from an illness, provided:

1. The employee has used all of their accumulated sick leave.

2. The employee presents to their department head for referral to and consideration by the City Manager, a written estimate of the time needed for recovery signed by the employee's physician.

3. Prior to resuming their duties, the employee may be required to take a medical examination at the City’s expense and provide a medical release to return to work from the employee's physician as prescribed by the City Manager. The employment record and the results of such examination shall be considered by the City Manager in determining the employee's fitness to return to work.

Section 8. Federal Medical Leave Act and the California Family Rights Act

The City shall comply with the Federal Medical Leave Act of 1993 (FMLA) and the California Family Rights Act (CFRA) of 1991. Where there are differences between similar provisions of the Acts, the City shall comply with the provision which gives the employee the greater rights.

Section 9. On-the-job Injury. Employees who are disabled by injury or illness arising out of and in the course of their duties for the City, shall be entitled, regardless of their period of service with the City, to a leave of absence for the period of such disability, but not exceeding one (1) year, or until such earlier date as they are retired on permanent disability pension. Employees are eligible for up to four months of salary continuation in lieu of temporary disability payments. During the first five working days of such disability, the City shall pay 100% of the salary in lieu of temporary disability payments. Thereafter, the employee shall receive 80% of salary in lieu of temporary disability payments. Any payments made pursuant to this Section shall not be charged to sick leave; provided, however, no sick leave or vacation benefits shall accrue during the period of such disability.

Section 10. Off-the-job Injury. An employee injured outside of their service with the City may apply for benefits under the disability insurance plan provided by the City.

Section 11. California Labor Code Section 233

Pursuant to California Labor Code Section 233, employees may use a total of 48 hours of their accrued and available sick leave for the following reasons:

1. To attend to the illness of their child, parent, spouse, registered domestic partner, parent-in-law, grandparent, grandchild, sibling or designated person.
2. To obtain any relief of services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate certification of the need for such services:

   a. A temporary restraining order or restraining order.
   b. Other injunctive relief to help ensure the health, safety or welfare of themselves or their children.
   c. To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
   d. To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.
   e. To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.
   f. To participate in safety planning and take other action to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

ARTICLE IV - HEALTH, DENTAL, VISION, LIFE AND DISABILITY INSURANCE

Section 1. Health Insurance Plan.

A. For the employees covered by the terms of this Agreement, the City and the employees shall contribute the sums listed below per month per employee toward health insurance:

MEDICAL RATE PROVISIONS AND SCHEDULE

Health Insurance Benefit: The City shall provide health insurance coverage for the employee and any dependents which may include medical, dental and vision insurance plans.

Effective January 1, 2027, the maximum contribution amount will increase from $2,711.03 to $2,998.19 per month. Annual increases to the City's monthly contributions shall be based upon the average cost of all area HMO plans offered through the PERS Health Plan (2026 $2,547.82/ 2027 $2,832.75) plus the DPO Dental Family rate (2026 $137.40/ 2027 $141.60) and the Family Vision rate (2026 $25.81/ 2027 $23.84). Employees shall maintain the PERS Health Plan minimally at the employee-only coverage level, unless the employee demonstrates proof of other group coverage. Coverage under dental and vision plans shall be optional.

If the City's contribution exceeds the total premium cost of health plans chosen by the employee, the difference may be contributed toward additional/dependent coverage, including additional life insurance, or paid as additional compensation.

If the total premium cost of health plans chosen by the employee exceeds the City's contribution, the employee shall pay, through payroll deduction, the difference between the total cost and the City's contribution. The employee's exercise of the option to use the difference toward additional/dependent health coverage or receive the additional cash as compensation is subject to the conditions controlling enrollment periods and eligibility established by the respective plans or carriers.

B. Retiree Health Savings Plan. The City will contribute $185 per month.

<u>Section 2.</u> Life Insurance Plan.

The City shall pay 100% of the premium for a term life insurance policy for each eligible employee of $50,000.

<u>Section 3.</u> Disability Insurance Plan. The City shall provide a short-term and long-term disability insurance plan for all employees covered by this agreement. The City shall pay 100% of the premium.

<u>PART V – RETIREMENT</u>

<u>Section 1.</u> The City shall make contributions for employees to the California Public Employees Retirement System (CalPERS) plan known as 2% at 55 for "Classic" Miscellaneous members and 3% at 50 for "Classic" Safety members. "Classic" Miscellaneous employees hired prior to June 30, 2010 shall contribute 3% of salary towards their CalPERS retirement plan.

<u>Section 2.</u> Employees hired after June 30, 2010, if determined to be "Classic" Miscellaneous members, shall contribute 6% of salary towards their CalPERS retirement plan.

<u>Section 3.</u> Employees hired after January 1, 2013 and are new to CalPERS, or have had a six month or more break in service, are considered "PEPRA" members and are subject to all laws, statutes, rules and regulations of the Public Employees' Pension Reform Act (PEPRA).

<u>Section 4.</u> The City's CalPERS contract shall provide the Survivor's Continuance Benefit to employees.

<u>Section 5.</u> The City's CalPERS contract shall provide for the 1959 Survivor's Benefit (Level 3). The City shall make the employees' contribution in the amount of $2.00 per month.

<u>Section 6.</u> The City's CalPERS contract shall provide for the "Single Highest Year Compensation" benefit for eligible employees. The City shall pay for the entire cost of this benefit.

PART VI - AUTO ALLOWANCE

A monthly auto allowance will be provided in the amount of $300 for the City Clerk and $200 for all other Mid-Management employees.

PART VII – TECHNOLOGY ALLOWANCE

A $75 monthly technology allowance will be provided to purchase and maintain personal technology devices (i.e. cell phone, computer, tablet) and/or services (i.e. internet, cell phone service) to perform the duties of their position.

PART VIII – UNIFORM ALLOWANCE

The classification of Police Support Services Supervisor shall receive a Uniform Allowance of $600 per year.

The classification of Maintenance Supervisor shall receive a Boot/Safety Shoe Allowance of $250 per year. To be eligible for reimbursement, the employee must submit a receipt from the purchase of boots/safety shoes to Human Resources.

PART IX – SPECIAL PAY PROVISION

Section 1. Acting Pay. The City Manager may temporarily grant up to a 5% increase for an acting assignment for those positions who assume acting duties. The increase must fall within the range of the higher position but not exceed the top of the position's range.

Section 2. Management Performance Recognition Program. The City Manager may recognize the outstanding performance of Mid-Management employees. Based upon criteria and the sole discretion of the City Manager, employees will be eligible to receive a one-time payment up to 5% of base salary within a 12-month period. Such amounts shall be payable in conjunction with an employee's performance review.

Section 3. Temporary Succession Planning Pay. The City Manager may grant temporary pay to employees training for potential advancement to a higher-level position. The temporary pay would not exceed 5% of the employee's current rate of pay. Such assignment would be limited to a maximum of six months. This form of pay differs from Acting Pay in that the position is filled with an incumbent and the employee being trained is not assuming all of the responsibilities associated with the position.

Section 4. Severance. The City Clerk is entitled to six months' base salary if terminated without cause.

"Cause" for termination shall include, but not limited to the following: persistent, habitual or willful neglect of duty; insubordination; corrupt of willful misconduct; willful malfeasance or conviction of an illegal act amounting to an act of moral turpitude; willful destruction or misuse of City property; habitual intoxication while on duty, whether by alcohol, prescription or non-prescription drugs; inexcusable absence without an authorized leave of absence; theft or attempted theft; financial mismanagement; material dishonesty; willful violation of Federal or State discrimination and harassment laws while acting in the course and scope of employment; willful and unlawful retaliation against any City officer or employee; engaging in conduct tending to bring embarrassment or disrepute to the City.

The severance pay for the City Clerk is contingent upon the following conditions:

a) The employee must execute a comprehensive waiver and release of all claims against the City, its officials, employees, and agents, in a form approved by the City Attorney.

b) The waiver and release must become effective and irrevocable. This includes the expiration of any applicable revocation period required by law, such as the 7-day revocation period for employees age 40 and over under the Age Discrimination in Employment Act.

c) The employee must comply with all post-employment obligations outlined in the severance agreement, including but not limited to return of City property.

d) Severance pay will be provided only for involuntary terminations without cause. It does not apply to voluntary resignations or terminations for cause.

e) Severance pay shall be subject to all applicable taxes and withholdings required by law.

f) Employees will be advised in writing to consult with an attorney before signing the severance agreement.

EXHIBIT 'A'

CITY OF CYPRESS
SCHEDULE OF BENEFITS
EXECUTIVE MANAGEMENT EMPLOYEES

PART I - HOLIDAYS

Section 1. Recognized Holidays.

A. For pay purposes, the following holidays are recognized as municipal holidays for regular employees. Said employees shall receive these holidays off with pay: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the Friday following Thanksgiving Day, Christmas Eve Day and Christmas Day. Employees will earn nine hours of holiday leave as the holiday occurs. Unused holiday hours will be placed in a holiday leave bank for future use. There will be no cash payment or carryover for unused holiday.

B. Beginning the first pay period of the payroll year, current employees shall be credited with one floating holiday (9 hours). Employees hired after the beginning of the payroll year, but before September 1, will be credited with the floating holiday. Floating holiday must be taken as paid time off in the credited payroll year. There shall be no cash payment for unused floating holiday.

C. When any holiday, recognized by the City, falls on a Sunday, the following Monday shall be considered the holiday; when any day, recognized by the City as a holiday, falls on a Saturday, the preceding Friday shall be considered the holiday.

Section 2. Holidays Falling During Approved Leaves of Absence Without Pay. Any employee on an approved leave of absence without pay, having the holiday fall during the period of such leave of absence without pay, shall be eligible for such holiday pay only in those instances where said employee has worked either the day before or the day immediately following said holiday.

PART II - VACATION

Section 1. Eligibility. All regular, full-time employees, having completed a minimum of six months continuous service with the City, and annually, thereafter, shall be eligible for a paid vacation at the employee's then current rate of pay. Recognizing that it is preferred that the full vacation be taken at one time, the employee may, nevertheless, request a modification of this preference. Upon approval of the City Manager, appropriate modifications may be allowed.

Section 2. Vacation Accrual.

Employees shall accrue vacation leave by the following formula:

Hours/Month	Year of Employment	Annual Amount (Hours)
10.0000	1st – 6th year	(120 hours)
10.6667	7th year	(128 hours)
11.3334	8th year	(136 hours)
12.0000	9th year	(144 hours)
12.6667	10th year	(152 hours)
13.3334	11th year	(160 hours), and each month thereafter.

Section 3. Maximum Accrual.

A. Employees may accumulate unused vacation to a maximum of 360 hours. The accrual of vacation hours shall cease when an employee's accumulated vacation is at the maximum. However, the value of vacation hours earned in excess of the maximum accrual will be contributed towards the employee's Retiree Health Savings Plan. Additional vacation hours shall begin accruing when the employee's vacation balance falls below the maximum.

B. For purposes of this Article, the term "anniversary date of employment" is the date an employee began accruing vacation with the City.

Section 4. Use of Vacation.

An employee who has completed five years or more of continuous service and who has taken 40 cumulative hours of vacation in the current payroll year may elect to be paid for up to a maximum of 80 hours of accrued vacation in the following calendar year. To request payment of up to 80 hours, the employee must submit an irrevocable election form to Human Resources by December 15 of the prior calendar year for the requested payment in the subsequent December's special payroll. For example, if an employee submits a payout request of 80 hours prior to December 15, 2025~~4~~ and is deemed eligible to receive a payout, the employee will be paid for 80 hours in December 2026~~5~~.

Section 5. Vacation Payment at Termination.

A. Employees terminating employment shall be paid in a lump sum for all accrued vacation leave.

B. When termination is caused by the death of the employee, said payment for unused vacation shall be paid to the beneficiary designated by the employee. Such designation shall be in writing, signed by the employee and filed with the Human Resources Office. In the event an employee has not designated a beneficiary, the payment shall be made to the estate of the employee.

Section 6. Holidays Falling During Vacation Leave. In the event one or more municipal holidays fall within an annual vacation leave, such holiday shall not be charged as vacation leave and the vacation leave shall be extended accordingly.

Section 7. Vacation Earned During Leave of Absence. No vacation leave shall be earned during any leave of absence without pay for each 30-day period of such leave. Vacation leave shall be earned on a prorated basis during a leave of absence on partial pay status.

Section 8. Vacation - Miscellaneous. Employees shall not work for the City during their vacation and, thereby, receive double compensation from the City.

PART III - SICK LEAVE

Section 1. General Sick Leave Provisions.

A. Sick leave shall be requested only in cases of actual personal sickness or disability, medical or dental treatment, or as authorized by the City Manager or the Personnel Officer under the provisions of the Federal Family Medical Leave Act and/or the California Family Rights Act, California Labor Code Section 233 (use of sick leave) or the Healthy Workplace Healthy Family Act of 2014.

Sick leave with pay shall not be allowed unless the employee has met and complied with these provisions and the City Manager has approved such payment.

Section 2. Eligibility. All employees covered by this Agreement shall be eligible to accrue sick leave.

Section 3. Accrual. Sick leave shall be accrued at the rate of eight hours per calendar month for each calendar month that an employee has worked regularly scheduled hours and/or has been on authorized leave which provides for full pay, for at least 15 working days in that month. Sick leave shall be earned on a prorated basis during a leave of absence on partial pay status.

Section 4. Accumulation and Payment Plan.

A. Accrued sick leave may be accumulated without limit.

B. Payment of accumulated sick leave shall be granted by the Personnel Officer on an annual basis to all regular employees who have a minimum of 120 hours of accumulated sick leave on record on December 1st, and opt to receive payment of up to 48 hours of sick leave, during the subsequent December's special payroll at a rate of 50% of current salary. Employees must have a minimum balance of 120 hours after the payment of sick leave to be eligible for the payout.

C. Payment of accumulated sick leave shall be granted by the Personnel Officer on an annual basis to all employees who have a minimum of 240 hours of accumulated sick leave on record on December 1st, and opt to receive payment of up to 48 hours of sick leave, during the subsequent December's special payroll, at a rate of 100% of current salary. Employees must have a minimum balance of 120 hours after payment of sick leave to be eligible for the payout.

D. Employees wishing to cash out sick leave as described in Section 4. (B) and (C) above, must submit an irrevocable election form to Human Resources by December 15 for payment on the subsequent December's special payroll. For example, if an employee submits a payout request for the maximum 48 hours prior to December 15, 2025~~4~~, payment will be issued in December 2026~~5~~ (if eligible).

E. In accordance with the annual conversion policy set forth in Section 4. (B), (C) and (D) above, employees shall have the option of depositing their sick leave payment in a City deferred compensation program instead of receiving payment in cash. All deposits made into the deferred compensation program shall be made in accordance with any and all regulations governing the deferred compensation program.

F. Upon death, retirement, separation or termination of an employee covered by this Agreement, with a minimum of 60 days or 480 hours of sick leave accumulation, said employee is entitled to receive 50% compensation for that accumulated sick leave.

G. Upon death, retirement, separation or termination of an employee covered by this Agreement, with a minimum of five years of service and with between 240 hours and 480 hours of sick leave accumulation, said employee is entitled to receive payment for the difference between that amount of sick leave and 240 hours at 50% compensation.

H. If the Chief of Police was promoted and was previously a member of the Cypress Police Management Association (PMA), upon service retirement or termination, they ~~he/she~~ will be entitled to receive payment of accumulated sick leave hours earned prior to promotion to Chief of Police, consistent with the terms of the PMA Memorandum of Understanding in effect at the time of promotion. Accumulated sick leave hours will be documented at the time of promotion and shall be paid to the Chief of Police at the highest hourly rate within the PMA upon separation from employment. Sick leave hours accumulated as Chief of Police will be paid in accordance with the sections above. If the Chief of Police is terminated for misconduct, they are ~~he/she is~~ ineligible for this payment.

I. In accordance with the payment plan set forth in Section 4 (F) and (G) above, upon separation, termination or retirement of an employee covered by this Agreement, said employee shall have the option of depositing their sick leave payment in a City deferred compensation program, instead of receiving payment in cash. All deposits made into the deferred compensation program shall be made in accordance with any and all regulations governing the deferred compensation program.

Section 5. Use.

A. Sick leave may be requested and approved by the City Manager. Payment for approved sick leave shall be authorized until the employee's accumulated total of sick leave hours has been exhausted and at such time the employee shall receive no further payment for sick leave. An employee shall have their ~~his/her~~ accumulated sick leave balance reduced by an amount equal to the number of hours of sick leave for which they ~~he/she~~ receive~~s~~ payment.

B. Sick leave shall not be granted for disability arising from any sickness or injury purposely self-inflicted or caused by an employee's own willful misconduct.

Section 6. Sick Leave During Vacation. An employee who becomes ill while on vacation may have such period of illness charged to their ~~his/her~~ accumulated sick leave. The employee may request an extension of vacation due to illness, subject to the approval of the City Manager.

Section 7. Extended Sick Leave. In the event of an employee's continuing illness which results in depletion of sick leave accumulation, the employee may request, in writing, to the City Manager, a leave of absence without pay for the purpose of recovering from an illness, provided:

1. The employee has used all of their ~~his/her~~ accumulated sick leave.

2. The employee presents to the City Manager, a written estimate of the time needed for recovery signed by the employee's physician.

3. Prior to resuming their ~~his/her~~ duties, the employee may be required to take a medical examination at the City's expense and provide a medical release to return to work from the employee's physician as prescribed by the City Manager. The employment record and the results of such examination shall be considered by the City Manager in determining the employee's fitness to return to work.

Section 8. Federal Medical Leave Act and the California Family Rights Act

The City shall comply with the Federal Medical Leave Act of 1993 (FMLA) and the California Family Rights Act (CFRA) of 1991. Where there are differences between similar provisions of the Acts, the City shall comply with the provision which gives the employee the greater rights.

Section 9. On-the-job Injury. Employees who are disabled by injury or illness arising out of and in the course of their duties for the City, shall be entitled, regardless of their ~~his/her~~ period of service with the City, to a leave of absence for the period of such disability, but not exceeding one (1) year, or until such earlier date as they are ~~he/she is~~ retired on permanent disability pension. Employees are eligible for up to four months of salary continuation in lieu of temporary disability payments. During the first five working days of such disability, the City shall pay 100% of the salary in lieu of temporary disability payments. Thereafter, the employee shall receive 80% of salary in lieu of temporary disability payments. Any payments made pursuant to this Section shall not be charged to sick leave; provided, however, no sick leave or vacation benefits shall accrue during the period of such disability.

Section 10. Off-the-job Injury. An employee injured outside of their ~~his/her~~ service with the City may apply for benefits under the disability insurance plan provided by the City.

Section 11. California Labor Code Section 233

Pursuant to California Labor Code Section 233, employees may use a total of 48 hours of their accrued and available sick leave for the following reasons:

1. To attend to the illness of their child, parent, spouse, registered domestic partner, parent-in-law, grandparent, grandchild, sibling or designated person.
2. To obtain any relief of services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate certification of the need for such services:

    a. A temporary restraining order or restraining order.
    b. Other injunctive relief to help ensure the health, safety or welfare of themselves or their children.
    c. To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
    d. To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.
    e. To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.
    f. To participate in safety planning and take other action to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

ARTICLE IV - HEALTH, DENTAL, VISION, LIFE AND DISABILITY INSURANCE

Section 1. Health Insurance Plan.

A. For the employees covered by the terms of this Agreement, the City and the employees shall contribute the sums listed below per month per employee toward health insurance:

MEDICAL RATE PROVISIONS AND SCHEDULE

Health Insurance Benefit: The City shall provide health insurance coverage for the employee and any dependents which may include medical, dental and vision insurance plans. Effective January 1, 2027~~6~~, the maximum contribution amount will increase from ~~$2,557.07 to~~ $2,711.03 to $2,998.19 per month. Annual increases to the City's monthly contributions shall be based upon the average cost of all area HMO plans offered through the PERS Health Plan (~~2025 $2,393.86/~~ 2026 $2,547.82/ 2027 $2,832.75) plus the DPO Dental Family rate (~~2025/~~2026 $137.40/ $2027 $141.60) and the Family Vision rate (~~2025/~~2026 $25.81/ 2027 $23.84). Employees shall maintain the PERS Health Plan minimally at the employee-only coverage level, unless the employee demonstrates proof of other group coverage. Coverage under dental and vision plans shall be optional.

If the City's contribution exceeds the total premium cost of health plans chosen by the employee, the difference may be contributed toward additional/dependent coverage, including additional life insurance, or paid as additional compensation.

If the total premium cost of health plans chosen by the employee exceeds the City's contribution, the employee shall pay, through payroll deduction, the difference between the total cost and the City's contribution. The employee's exercise of the option to use the difference toward additional/dependent health coverage or receive the additional cash as compensation is subject to the conditions controlling enrollment periods and eligibility established by the respective plans or carriers.

B. Retiree Health Savings Plan. The City will contribute $185 per month for each employee participating in the Retiree Health Savings Plan.

C. Retiree Health Savings Program. Full-time employees who promote to a management classification, and have previously opted to grandfather into the Supplemental Health Care Benefit Program, may elect to remain in the program in lieu of mandatory enrollment in the Retiree Health Savings Plan.

D. 401(a) Retirement Savings Plan. The City will contribute $200 per month.

Section 2. Life Insurance Plan.

The City shall pay 100% of the premium for a term life insurance policy for each eligible employee which shall be based upon a formula equal to one times the employee's annual salary rounded up to the nearest thousand dollars up to $300,000.

Section 3. Disability Insurance Plan. The City shall provide a short-term and long-term disability insurance plan for all employees covered by this agreement. The City shall pay 100% of the premium.

Section 4. Executive Wellness Program. Employees may request reimbursement for a maximum of $1,000 on an annual basis for eligible wellness program expenses as determined by the Personnel Officer.

PART V – RETIREMENT

Section 1. The City shall make contributions for employees to the California Public Employees Retirement System (CalPERS) plan known as 2% at 55 for "Classic" Miscellaneous members and 3% at 50 for "Classic" Safety members. "Classic" Miscellaneous employees hired prior to June 30, 2010 shall contribute 3% of salary towards their CalPERS retirement plan.

Section 2. Employees hired after June 30, 2010, if determined to be "Classic" Miscellaneous members, shall contribute 6% of salary towards their CalPERS retirement plan.

Section 3. The Chief of Police, if determined to be a "Classic" Safety member, shall contribute 12% of salary towards their ~~his/her~~ CalPERS retirement plan.

Section 4. Employees hired after January 1, 2013 and are new to CalPERS, or have had a six month or more break in service, are considered "PEPRA" members and are subject to all laws, statutes, rules and regulations of the Public Employees' Pension Reform Act (PEPRA).

Section 5. The City's CalPERS contract shall provide the Survivor's Continuance Benefit to employees.

Section 6. The City's CalPERS contract shall provide for the 1959 Survivor's Benefit (Level 3). The City shall make the employees' contribution in the amount of $2.00 per month.

Section 7. The City's CalPERS contract shall provide for the "Single Highest Year Compensation" benefit for eligible employees. The City shall pay for the entire cost of this benefit.

PART VI - AUTO ALLOWANCE

A monthly auto allowance will be provided in the amount of $500. The Chief of Police has the option of being provided a City vehicle in lieu of the auto allowance.

PART VII – TECHNOLOGY ALLOWANCE

A $100 monthly technology allowance will be provided to purchase and maintain personal technology devices (i.e. cell phone, computer, tablet) and/or services (i.e. internet, cell phone service) to perform the duties of their position.

PART VIII – UNIFORM ALLOWANCE

The Police Chief shall receive a Uniform Allowance of $850 per year.

PART IX – SPECIAL PAY PROVISION

Section 1. Executive Manager Lead Assignment. The City may designate any Executive Management employee to the Executive Manager Lead Assignment. The employee so assigned will lead and supervise over other managers. An employee who is routinely and consistently assigned to the Executive Manager Lead Assignment shall receive special assignment pay equal to 5% over base pay for such duties. The City Manager may remove an employee from the assignment at the City Manager's discretion.

Section 2. Management Performance Recognition Program. The City Manager may recognize the outstanding performance of Executive Management employees. Based upon criteria and the sole discretion of the City Manager, employees will be eligible to receive a one-time payment up to 5% of base salary within a 12-month period. Such amounts shall be payable in conjunction with an employee's performance review.

Section 3. Severance. Employees are entitled to four months' base salary if terminated without cause.

"Cause" for termination shall include, but not limited to the following: persistent, habitual or willful neglect of duty; insubordination; corrupt of willful misconduct; willful malfeasance or conviction of an illegal act amounting to an act of moral turpitude; willful destruction or misuse of City property; habitual intoxication while on duty, whether by alcohol, prescription or non-prescription drugs; inexcusable absence without an authorized leave of absence; theft or attempted theft; financial mismanagement; material dishonesty; willful violation of Federal or State discrimination and harassment laws while acting in the course and scope of employment; willful and unlawful retaliation against any City officer or employee; engaging in conduct tending to bring embarrassment or disrepute to the City.

Severance pay is contingent upon the following conditions:

a) The employee must execute a comprehensive waiver and release of all claims against the City, its officials, employees, and agents, in a form approved by the City Attorney.

b) The waiver and release must become effective and irrevocable. This includes the expiration of any applicable revocation period required by law, such as the 7-day revocation period for employees age 40 and over under the Age Discrimination in Employment Act.

c) The employee must comply with all post-employment obligations outlined in the severance agreement, including but not limited to return of City property.

d) Severance pay will be provided only for involuntary terminations without cause. It does not apply to voluntary resignations or terminations for cause.

e) Severance pay shall be subject to all applicable taxes and withholdings required by law.

f) Employees will be advised in writing to consult with an attorney before signing the severance agreement.

PART X – ACTING CITY MANAGER

In the absence of a regularly appointed City Manager, the City Council may designate any Executive Management employee to serve as Acting City Manager on a temporary basis. The Acting City Manager will have the powers and duties described in Chapter 2, Article II of the Cypress Municipal Code.

An employee who is assigned to serve as the Acting City Manager shall receive additional compensation pay equal to 10% of their regular base pay plus any special assignment pay, for performing such duties for the duration of the appointment, which shall not exceed the limits in Government Code section 20480(a). The City Council may revoke the assignment, or remove an employee from the assignment, any time at the City Council's discretion. The assignment shall also end immediately upon the City Council's appointment of another Acting City Manager, Interim City Manager or permanent City Manager.

EXHIBIT 'A'

CITY OF CYPRESS
SCHEDULE OF BENEFITS
MID-MANAGEMENT EMPLOYEES

PART I - HOLIDAYS

Section 1. Recognized Holidays.

A. For pay purposes, the following holidays are recognized as municipal holidays for regular employees. Said employees shall receive these holidays off with pay: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the Friday following Thanksgiving Day, Christmas Eve Day and Christmas Day. Employees will earn nine hours of holiday leave as the holiday occurs. Unused holiday hours will be placed in a holiday leave bank for future use. There will be no cash payment or carryover for unused holiday.

B. Beginning the first pay period of the payroll year, current employees shall be credited with one floating holiday (9 hours). Employees hired after the beginning of the payroll year, but before September 1, will be credited with the floating holiday. Floating holiday may be taken subject to approval of the employee's supervisor after consideration of the department workload and other staffing considerations such as, but not limited to, leave schedules of other employees already approved, sick leave and position vacancies. Floating holiday must be taken as paid time off in the credited payroll year. There shall be no cash payment for unused floating holiday.

C. When any holiday, recognized by the City, falls on a Sunday, the following Monday shall be considered the holiday; when any day, recognized by the City as a holiday, falls on a Saturday, the preceding Friday shall be considered the holiday.

D. Religious holidays requested off shall be done so in writing to the employee's supervisor. If approved, such time shall be charged against accumulated vacation or floating holiday leave.

Section 2. Holidays Falling During Approved Leaves of Absence Without Pay. Any employee on an approved leave of absence without pay, having the holiday fall during the period of such leave of absence without pay, shall be eligible for such holiday pay only in those instances where said employee has worked either the day before or the day immediately following said holiday.

PART II - VACATION

Section 1. Eligibility. All regular, full-time employees, having completed a minimum of six months continuous service with the City, and annually, thereafter, shall be eligible for a paid vacation at the employee's then current rate of pay. Recognizing that it is preferred that the full vacation be taken at one time, the employee may, nevertheless, request a modification of this preference. Upon approval of the City Manager, appropriate modifications may be allowed.

Section 2. Vacation Accrual.

Employees shall accrue vacation leave by the following formula:

Hours/Month	Year of Employment	Annual Amount (Hours)
6.6670	1st year	(80 hours)

7.3334	2nd year	(88 hours)
8.0000	3rd year	(96 hours)
8.6667	4th year	(104 hours)
9.3334	5th year	(112 hours)
10.0000	6th year	(120 hours)
10.6667	7th year	(128 hours)
11.3334	8th year	(136 hours)
12.0000	9th year	(144 hours)
12.6667	10th year	(152 hours)
13.3334	11th year	(160 hours), and each month thereafter.

Section 3. Maximum Accrual.

A. Employees may accumulate unused vacation to a maximum of the amount accrued in the 24 months immediately preceding the employee's anniversary date of employment with a maximum of 320 hours. The accrual of vacation hours shall cease when an employee's accumulated vacation is at the maximum provided in this Section. However, the value of vacation hours earned in excess of the maximum accrual will be contributed towards the employee’s Retiree Health Savings Plan. Additional vacation hours shall begin accruing when the employee's vacation balance falls below the maximum.

B. For purposes of this Article, the term "anniversary date of employment" is the date an employee began accruing vacation with the City.

Section 4. Use of Vacation.

A. The time at which an employee's vacation is to occur shall be determined by the employee’s supervisor with due regard for the wishes of the employee and particular regard for the needs of the service.

B. An employee who has completed five years or more of continuous service and who has taken 40 cumulative hours of vacation in the current payroll year may elect to be paid for up to a maximum of 80 hours of accrued vacation in the following calendar year. To request payment of up to 80 hours, the employee must submit an irrevocable election form to Human Resources by December 15 of the prior calendar year for the requested payment in the subsequent December’s special payroll. For example, if an employee submits a payout request of 80 hours prior to December 15, 2025~~4~~ and is deemed eligible to receive a payout, the employee will be paid for 80 hours in December 2026~~5~~.

Section 5. Vacation Payment at Termination.

A. Employees terminating employment shall be paid ~~in~~ a lump sum for all accrued vacation leave.

B. When termination is caused by the death of the employee, said payment for unused vacation shall be paid to the beneficiary designated by the employee. Such designation shall be in writing, signed by the employee and filed with the Human Resources Office. In the event an employee has not designated a beneficiary, the payment shall be made to the estate of the employee.

Section 6. Holidays Falling During Vacation Leave. In the event one or more municipal holidays fall within an annual vacation leave, such holiday shall not be charged as vacation leave and the vacation leave shall be extended accordingly.

Section 7. Vacation Earned During Leave of Absence. No vacation leave shall be earned during any leave of absence without pay for each 30-day period of such leave. Vacation leave shall be earned on a prorated basis during a leave of absence on partial pay status.

Section 8. Vacation - Miscellaneous. Employees shall not work for the City during their vacation and, thereby, receive double compensation from the City.

PART III - SICK LEAVE

Section 1. General Sick Leave Provisions.

A. Sick leave shall be requested only in cases of actual personal sickness or disability, medical or dental treatment, or as authorized by the City Manager or the Personnel Officer under the provisions of the Federal Family Medical Leave Act and/or the California Family Rights Act, California Labor Code Section 233 (use of sick leave) or the Healthy Workplace Healthy Family Act of 2014. The employee requesting sick leave shall notify their ~~his/her~~ immediate supervisor prior to the time set for reporting to work. Sick leave with pay shall not be allowed unless the employee has met and complied with these provisions and the department head or the City Manager has approved such payment.

Section 2. Eligibility. All employees covered by this Agreement shall be eligible to accrue sick leave.

Section 3. Accrual. Sick leave shall be accrued at the rate of eight hours per calendar month for each calendar month that an employee has worked regularly scheduled hours and/or has been on authorized leave which provides for full pay, for at least 15 working days in that month. Sick leave shall be earned on a prorated basis during a leave of absence on partial pay status.

Section 4. Accumulation and Payment Plan.

A. Accrued sick leave may be accumulated without limit.

B. Payment of accumulated sick leave shall be granted by the Personnel Officer on an annual basis to all regular employees who have a minimum of 120 hours of accumulated sick leave on record on December 1st, and opt to receive payment of up to 48 hours of sick leave, during the subsequent December’s special payroll at a rate of 50% of current salary. Employees must have a minimum balance of 120 hours after the payment of sick leave to be eligible for the payout.

C. Payment of accumulated sick leave shall be granted by the Personnel Officer on an annual basis to all employees who have a minimum of 240 hours of accumulated sick leave on record on December 1st, and opt to receive payment of up to 48 hours of sick leave, during the subsequent December’s special payroll, at a rate of 100% of current salary. Employees must have a minimum balance of 120 hours after payment of sick leave to be eligible for the payout.

D. Employees wishing to cash out sick leave as described in Section 4. (B) and (C) above, must submit an irrevocable election form to Human Resources by December 15 for payment on the subsequent December’s special payroll. For example, if an employee submits a payout request for the maximum 48 hours prior to December 15, 2025~~4~~, payment will be issued in December 2026~~5~~ (if eligible).

E. In accordance with the annual conversion policy set forth in Section 4. (B), (C) and (D) above, employees shall have the option of depositing their sick leave payment in a City deferred compensation program instead of receiving payment in cash. All deposits made into the deferred compensation program shall be made in accordance with any and all regulations governing the deferred compensation program.

F. Upon death, retirement, separation or termination of an employee covered by this Agreement, with a minimum of 60 days or 480 hours of sick leave accumulation, said employee is entitled to receive 50% compensation for that accumulated sick leave.

G. Upon death, retirement, separation or termination of an employee covered by this Agreement, with a minimum of five years of service and with between 240 hours and 480 hours of sick leave accumulation, said employee is entitled to receive payment for the difference between that amount of sick leave and 240 hours at 50% compensation.

H. In accordance with the payment plan set forth in Section 4 (F) and (G) above, upon separation, termination or retirement of an employee covered by this Agreement, said employee shall have the option of depositing their sick leave payment in a City deferred compensation program, instead of receiving payment in cash. All deposits made into the deferred compensation program shall be made in accordance with any and all regulations governing the deferred compensation program.

Section 5. Use.

A. Sick leave may be requested and used as approved by the department head or the City Manager. Payment for approved sick leave shall be authorized until the employee's accumulated total of sick leave hours has been exhausted and at such time the employee shall receive no further payment for sick leave. An employee shall have their ~~his/her~~ accumulated sick leave balance reduced by an amount equal to the number of hours of sick leave for which he/she receives payment.

B. Sick leave shall not be granted for disability arising from any sickness or injury purposely self-inflicted or caused by an employee's own willful misconduct.

Section 6. Sick Leave During Vacation. An employee who becomes ill while on vacation may have such period of illness charged to his/her accumulated sick leave provided that: immediately upon return to duty, the employee submits to their ~~his/her~~ department head a written request for sick leave and a written statement signed by their ~~his/her~~ physician that includes the dates of illness; and the department head recommends and the City Manager approves granting of such sick leave. The employee may request an extension of vacation due to illness, subject to the approval of the department head and City Manager.

Section 7. Extended Sick Leave. In the event of an employee's continuing illness which results in depletion of sick leave accumulation, the employee may request, in writing, to their ~~his/her~~ department head and City Manager, a leave of absence without pay for the purpose of recovering from an illness, provided:

1. The employee has used all of their ~~his/her~~ accumulated sick leave.

2. The employee presents to their ~~his/her~~ department head for referral to and consideration by the City Manager, a written estimate of the time needed for recovery signed by the employee's physician.

3. Prior to resuming their ~~his/her~~ duties, the employee may be required to take a medical examination at the City's expense and provide a medical release to return to work from the employee's physician as prescribed by the City Manager. The employment record and the results of

such examination shall be considered by the City Manager in determining the employee's fitness to return to work.

Section 8. Federal Medical Leave Act and the California Family Rights Act

The City shall comply with the Federal Medical Leave Act of 1993 (FMLA) and the California Family Rights Act (CFRA) of 1991. Where there are differences between similar provisions of the Acts, the City shall comply with the provision which gives the employee the greater rights.

Section 9. On-the-job Injury. Employees who are disabled by injury or illness arising out of and in the course of their duties for the City, shall be entitled, regardless of their ~~his/her~~ period of service with the City, to a leave of absence for the period of such disability, but not exceeding one (1) year, or until such earlier date as they are ~~he/she is~~ retired on permanent disability pension. Employees are eligible for up to four months of salary continuation in lieu of temporary disability payments. During the first five working days of such disability, the City shall pay 100% of the salary in lieu of temporary disability payments. Thereafter, the employee shall receive 80% of salary in lieu of temporary disability payments. Any payments made pursuant to this Section shall not be charged to sick leave; provided, however, no sick leave or vacation benefits shall accrue during the period of such disability.

Section 10. Off-the-job Injury. An employee injured outside of their ~~his/her~~ service with the City may apply for benefits under the disability insurance plan provided by the City.

Section 11. California Labor Code Section 233

Pursuant to California Labor Code Section 233, employees may use a total of 48 hours of their accrued and available sick leave for the following reasons:

1. To attend to the illness of their child, parent, spouse, registered domestic partner, parent-in-law, grandparent, grandchild, sibling or designated person.
2. To obtain any relief of services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate certification of the need for such services:

    a. A temporary restraining order or restraining order.
    b. Other injunctive relief to help ensure the health, safety or welfare of themselves or their children.
    c. To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
    d. To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.
    e. To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.
    f. To participate in safety planning and take other action to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

ARTICLE IV - HEALTH, DENTAL, VISION, LIFE AND DISABILITY INSURANCE

Section 1. Health Insurance Plan.

A. For the employees covered by the terms of this Agreement, the City and the employees shall contribute the sums listed below per month per employee toward health insurance:

MEDICAL RATE PROVISIONS AND SCHEDULE

Health Insurance Benefit: The City shall provide health insurance coverage for the employee and any dependents which may include medical, dental and vision insurance plans. Effective January 1, 2027~~6~~, the maximum contribution amount will increase from ~~$2,557.07 to~~ $2,711.03 to $2,998.19 per month. Annual increases to the City's monthly contributions shall be based upon the average cost of all area HMO plans offered through the PERS Health Plan (~~2025 $2,393.86/~~ 2026 $2,547.82/ 2027 $2,832.75) plus the DPO Dental Family rate (~~2025/~~2026 $137.40/ 2027 $141.60) and the Family Vision rate (~~2025/~~2026 $25.81/ 2027 $23.84). Employees shall maintain the PERS Health Plan minimally at the employee-only coverage level, unless the employee demonstrates proof of other group coverage. Coverage under dental and vision plans shall be optional.

If the City's contribution exceeds the total premium cost of health plans chosen by the employee, the difference may be contributed toward additional/dependent coverage, including additional life insurance, or paid as additional compensation.

If the total premium cost of health plans chosen by the employee exceeds the City's contribution, the employee shall pay, through payroll deduction, the difference between the total cost and the City's contribution. The employee's exercise of the option to use the difference toward additional/dependent health coverage or receive the additional cash as compensation is subject to the conditions controlling enrollment periods and eligibility established by the respective plans or carriers.

B. Retiree Health Savings Plan. The City will contribute $185 per month.

Section 2. Life Insurance Plan.

The City shall pay 100% of the premium for a term life insurance policy for each eligible employee of $50,000.

Section 3. Disability Insurance Plan. The City shall provide a short-term and long-term disability insurance plan for all employees covered by this agreement. The City shall pay 100% of the premium.

PART V – RETIREMENT

Section 1. The City shall make contributions for employees to the California Public Employees Retirement System (CalPERS) plan known as 2% at 55 for "Classic" Miscellaneous members and 3% at 50 for "Classic" Safety members. "Classic" Miscellaneous employees hired prior to June 30, 2010 shall contribute 3% of salary towards their CalPERS retirement plan.

Section 2. Employees hired after June 30, 2010, if determined to be "Classic" Miscellaneous members, shall contribute 6% of salary towards their CalPERS retirement plan.

Section 3. Employees hired after January 1, 2013 and are new to CalPERS, or have had a six month or more break in service, are considered "PEPRA" members and are subject to all laws, statutes, rules and regulations of the Public Employees' Pension Reform Act (PEPRA).

Section 4. The City's CalPERS contract shall provide the Survivor's Continuance Benefit to employees.

Section 5. The City's CalPERS contract shall provide for the 1959 Survivor's Benefit (Level 3). The City shall make the employees' contribution in the amount of $2.00 per month.

Section 6. The City's CalPERS contract shall provide for the "Single Highest Year Compensation" benefit for eligible employees. The City shall pay for the entire cost of this benefit.

PART VI - AUTO ALLOWANCE

A monthly auto allowance will be provided in the amount of $300 for the City Clerk and $200 for all other Mid-Management employees.

PART VII – TECHNOLOGY ALLOWANCE

A $75 monthly technology allowance will be provided to purchase and maintain personal technology devices (i.e. cell phone, computer, tablet) and/or services (i.e. internet, cell phone service) to perform the duties of their position.

PART VIII – UNIFORM ALLOWANCE

The classification of Police Support Services Supervisor shall receive a Uniform Allowance of $600 per year.

The classification of Maintenance Supervisor shall receive a Boot/Safety Shoe Allowance of $250 per year. To be eligible for reimbursement, the employee must submit a receipt from the purchase of boots/safety shoes to Human Resources.

PART IX – SPECIAL PAY PROVISION

Section 1. Acting Pay. The City Manager may temporarily grant up to a 5% increase for an acting assignment for those positions who assume acting duties. The increase must fall within the range of the higher position but not exceed the top of the position's range.

Section 2. Management Performance Recognition Program. The City Manager may recognize the outstanding performance of Mid-Management employees. Based upon criteria and the sole discretion of the City Manager, employees will be eligible to receive a one-time payment up to 5% of base salary within a 12-month period. Such amounts shall be payable in conjunction with an employee's performance review.

Section 3. Temporary Succession Planning Pay. The City Manager may grant temporary pay to employees training for potential advancement to a higher-level position. The temporary pay would not exceed 5% of the employee's current rate of pay. Such assignment would be limited to a maximum of six months. This form of pay differs from Acting Pay in that the position is filled with an incumbent and the employee being trained is not assuming all of the responsibilities associated with the position.

Section 4. Severance. The City Clerk is entitled to six months' base salary if terminated without cause.

"Cause" for termination shall include, but not limited to the following: persistent, habitual or willful neglect of duty; insubordination; corrupt of willful misconduct; willful malfeasance or conviction of an illegal act amounting to an act of moral turpitude; willful destruction or misuse of City property; habitual intoxication while on duty, whether by alcohol, prescription or non-prescription drugs; inexcusable absence without an authorized leave of absence; theft or attempted theft; financial mismanagement; material dishonesty; willful violation of Federal or State discrimination and harassment laws while acting in the course and scope of employment; willful and unlawful retaliation against any City officer or employee; engaging in conduct tending to bring embarrassment or disrepute to the City.

The severance pay for the City Clerk is contingent upon the following conditions:

a) The employee must execute a comprehensive waiver and release of all claims against the City, its officials, employees, and agents, in a form approved by the City Attorney.

b) The waiver and release must become effective and irrevocable. This includes the expiration of any applicable revocation period required by law, such as the 7-day revocation period for employees age 40 and over under the Age Discrimination in Employment Act.

c) The employee must comply with all post-employment obligations outlined in the severance agreement, including but not limited to return of City property.

d) Severance pay will be provided only for involuntary terminations without cause. It does not apply to voluntary resignations or terminations for cause.

e) Severance pay shall be subject to all applicable taxes and withholdings required by law.

f) Employees will be advised in writing to consult with an attorney before signing the severance agreement.

CITY OF CYPRESS

CITY COUNCIL REPORT

City Council Regular **5.**

FROM: Stephanie Sikkema, Director of Finance and Administrative Services

DATE: 09/08/2026

SUBJECT: **Authorize Annual Payments and Approve an Amended Loan Agreement Between the City and District**

RECOMMENDATION

1. Authorize staff to make the annual payments in accordance with the existing Repayment Agreement and Promissory Notes for Arnold Cypress Park and Lexington Park as of June 30, 2026;

2. Approve an amended Repayment Agreement and Promissory Note between the City and District for $29,402,271.42 effective July 1, 2026; and

3. Authorize staff to make future annual payments in accordance with the Repayment Agreements and Promissory Notes for Arnold Cypress Park and Lexington Park.

DISCUSSION

The City and the Recreation and Park District have two Repayment Agreements and Promissory Notes for Arnold Cypress Park and Lexington Park. Staff recommends the annual payment be made in accordance with these contracts as of June 30, 2026.

In November 2023, the City Council approved the loan between the City and District for the rehabilitation of Arnold Cypress Park. Key loan terms include:

- Annual interest paid at a rate of two percent.
- One interest only payment on June 30, 2024 that will be based on the outstanding loan balance as of that date.
- Beginning June 30, 2025, the District will repay the City $2 million annually (inclusive of interest) until the loan is fully repaid in 20 years (FY 2044-45).

In March 2026, City Council requested a workshop to review the loan terms and options. A workshop was held on August 25, 2026, during which City Council directed staff to proceed with the option to allow the District to maintain a minimum excess fund balance and to extend the loan until payoff. The revised loan terms include:

- Annual interest paid at a rate of two percent.
- The District shall maintain a fund balance equal to at least thirty percent (30%) of its combined operating and capital improvement program (CIP) expenditures for the next fiscal year.
- Beginning July 1, 2026, the District will repay the City $2 million annually (inclusive of interest) until the loan is fully repaid.

The loan repayments will be with District General Funds. In the event park development fees or additional property tax revenues are available during the repayment term, the District may apply these revenues to some, or all, of the outstanding loan without any prepayment penalty. Should either the City or the District have the need, the City Council can modify the loan terms at any time or forgive it entirely.

BUDGET IMPACT

District payments are made to the City's infrastructure reserve fund. Therefore, there is not any impact on the City's General Fund. The revised agreement for Arnold Cypress Park will ensure the District maintains a healthy fund balance that provides the liquidity needed to cover regular operations. The table below summarizes the loan balances and requested payment for both parks.

Promissory Notes as of June 30, 2026:

	Lexington Park	Arnold Cypress Park
Principal Payment	$911,945.59	$1,385,502.20
Interest Payment	$63,693.34	$614,497.80
Total Payment	**$975,638.93**	**$2,000,000.00**
Preliminary Principal Balance	$3,184,666.83	$30,787,773.62
Final Principal Balance	**$2,272,721.24**	**$29,402,271.42**

LEGAL REVIEW

The agreement was reviewed and approved by the City Attorney.

APPROVED BY: Shannon DeLong, City Manager

Attachments

Repayment Agreement and Promissory Note

REPAYMENT AGREEMENT

This Repayment Agreement is entered into as of the 8th day of September 2026, by and between the Cypress Recreation and Park District, a California special district (the "District") and the City of Cypress, a charter city & municipal corporation (the "City").

RECITALS

A. Whereas, on November 13, 2023 the City and District established a repayment agreement for the construction costs associated with the reimagining of Arnold Cypress Park, and

B. To date, the District has repaid $2,934,303.25 in principal, which leaves an outstanding balance of $29,402,271.42 at June 30, 2026, and

C. The District may not have sufficient cash reserves available to pay the City the remaining balance due on the note each year, and

D. The District desires to reissue a promissory note on July 1, 2026, to allow for the repayment so long as sufficient cash reserves are available, and

E. Whereas, the City and District would like to formally authorize the City Manager/Executive Director to issue a new promissory note for $29,402,271.42 to pay for the construction of the new park and establish an applicable interest rate of two percent and minimum annual repayments of $2 million starting July 1, 2026; and

NOW, THEREFORE, in consideration of the foregoing mutual covenants and conditions set forth herein, the parties hereto agree as follows:

<u>Section 1</u>. The District hereby agrees to pay the City as full consideration for the construction loan referred to in the recitals herein above, a total sum of Twenty-nine million, four hundred two thousand, two hundred seventy-one dollars and forty-two cents ($29,402,271.42) with interest thereon calculated at a rate equal to two percent per annum. The District's obligations hereunder shall be evidenced by a Promissory Note substantially in the form attached hereto and incorporated herein by reference (the "Purchase Money Promissory Note").

Payments of Two Million Dollars ($2,000,000), which is inclusive of all accrued interest, with respect to the Purchase Money Promissory Note shall be due annually on June 30th starting on June 30, 2027. Payment of the outstanding principal with respect to the Purchase Money Promissory Note shall continue until the outstanding principal balance has been paid in full. No specific final due date shall apply; instead, the obligation will remain in effect until the principal balance is fully satisfied, unless modified by mutual agreement of the parties hereto. However, the outstanding principal and interest payments shall be made only in fiscal years during which the District has excess reserves. For purposes of this Agreement, 'excess reserves' means funds available above the District's required minimum fund balance. The District shall maintain a fund balance equal to at least thirty percent (30%) of its combined operating and capital improvement program (CIP) expenditures for the next fiscal year. Principal payments shall be due only to the extent the District's reserves exceed this required fund balance, and payments shall continue until the outstanding principal balance has been paid in full.

The District shall execute and deliver the Purchase Money Promissory Note as of the date of the execution of this Agreement.

Section 2. The District's obligation to make payments to the City pursuant to the Purchase Money Promissory Note shall be payable solely from District excess reserves and only if and to the extent such amounts are available, and the City determines, in its sole and unfettered discretion, to use to repay said amounts. In the event that there are insufficient funds from the sources identified herein to make the required payments with respect to the Purchase Money Promissory Note in the year in which such payments are to be made, the City shall extend the time for payment by adding the interest that was accrued for the year to the principal balance evidenced by the Purchase Money Promissory Note.

Section 3. The parties hereto acknowledge and agree that the District's obligation to pay the amounts evidenced by the Purchase Money Promissory Note shall be automatically subordinated to any other obligation of the District secured by property tax revenues or for which property tax revenues are otherwise pledged in connection with the issuance of bonds or certificates of participation.

Section 4. The District shall have the right at any time, from time to time, upon at least ten (10) days advance written notice to the City, to prepay without premium or penalty, the outstanding balance of the Purchase Money Promissory Note, or any portion thereof, with interest payable through the date of such prepayment.

Section 5. This Agreement embodies the entire Agreement understanding between the parties hereto with respect to the matters set forth herein and supersedes all prior agreements and understandings related to the subject matter hereof.

Section 6. This Agreement shall terminate when all obligations of the District as evidenced by the Purchase Money Promissory Note shall have been discharged in full.

Section 7. In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be effected or impaired thereby.

Section 8. No member, officer, agent or employee of the District shall be individually or personally liable for the payment of, the principal of or interest on the Purchase Money Promissory Note.

IN WITNESS WHEREOF, the parties have executed this Repayment Agreement as of the date first above written.

CITY OF CYPRESS

By______________________________
City Mayor

ATTEST:

____
City Clerk

CYPRESS RECREATION AND PARK DISTRICT

By______________________________
District Board Chair

ATTEST

____
District Executive Director

PURCHASE MONEY PROMISSORY NOTE (CRPD 6)

$29,402,271.42 **Cypress, CA**
July 1, 2026

The Cypress Recreation and Park District, a public body corporate and politic (the "District"), for value received, hereby promises to pay to the City of Cypress, public body corporate and politic (the "City"), the maximum principal sum of Twenty-nine million, four hundred two thousand, two hundred seventy-one dollars and forty-two cents ($29,402,271.42), in lawful money of the United States of America together with interest thereon on the unpaid balance thereof from the date hereof at a rate equal to two percent per annum. With respect to this Purchase Money Promissory Note, the Agency shall pay interest and principal totaling Two Million dollars ($2,000,000) annually beginning on July 1, 2026. Payment of the outstanding principal with respect to the Purchase Money Promissory Note shall continue until the outstanding principal balance has been paid in full. No specific final due date shall apply; instead, the obligation will remain in effect until the principal balance is fully satisfied, unless modified by mutual agreement of the parties hereto. However, the outstanding principal and interest payments shall be made only in fiscal years during which the District has excess reserves. For purposes of this Agreement, 'excess reserves' means funds available above the District's required minimum fund balance. The District shall maintain a fund balance equal to at least thirty percent (30%) of its combined operating and capital improvement program (CIP) expenditures for the next fiscal year. Principal payments shall be due only to the extent the District's reserves exceed this required fund balance, and payments shall continue until the outstanding principal balance has been paid in full. Interest shall be computed upon the basis of a three hundred sixty (360) day year and a thirty (30) day month.

This Note is the Purchase Money Promissory Note referred to in the Repayment Agreement dated as of September 8, 2026, between the City and the District and is entitled to all the benefits and is subject to all the limitations provided for therein. Reference is made to said Agreement for, inter alia, the rights of prepayment and the sources of payment of the principal of and interest on this Purchase Money Promissory Note.

CYPRESS RECREATION AND PARK DISTRICT

By__________________________________
District Board Chair

ATTEST:

____
Executive Director

CITY OF CYPRESS

CITY COUNCIL REPORT

City Council Regular **6.**

FROM: Alicia Velasco, Director of Community Development

DATE: 09/08/2026

SUBJECT: **Second Reading of Ordinance No. 1235 Approving a Development Agreement with Los Alamitos Race Course**

RECOMMENDATION

Approve the second reading and adopt Ordinance No. 1235, by title only and waive further reading, approving a Development Agreement between the City of Cypress and the Los Alamitos Race Course.

DISCUSSION

On August 25, 2026 the City Council approved an ordinance approving a Development Agreement between the City of Cypress and the Los Alamitos Race Course for the Cypress Town Center Specific Plan 3.0 buildout.

It is recommended that the City Council approve the second reading and adopt the attached ordinance. Once approved, the ordinance will become effective in 30 days.

BUDGET IMPACT

None.

LEGAL REVIEW

The City Attorney reviewed this staff report and attachments.

APPROVED BY: Shannon DeLong, City Manager

Attachments

Ordinance and Development Agreement

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CYPRESS, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF CYPRESS AND LOS ALAMITOS RACE COURSE, and CYPRESS GC, LLC, FOR THE DEVELOPMENT OF THE LOS ALAMITOS RACE COURSE PROPERTY AND ADOPTING FINDINGS IN SUPPORT THEREOF.

WHEREAS, Government Code §§ 65864 *et seq*. (the “Development Agreement Statute”) authorizes the City to enter into a binding Development Agreement (“DA” or “Development Agreement”) with any person having a legal or equitable interest in real property for the development of such property and establishing certain development rights therein, all for the purpose of strengthening the public planning process, encouraging private participation and comprehensive planning and identifying the economic costs of such development; and

WHEREAS, pursuant to the Development Agreement Statute, City has adopted procedures and requirements for the consideration of development agreements, which are set forth in City of Cypress Municipal Code (“Municipal Code”), Appendix I (Zoning), Section 4.21.40 (“City Development Agreement Procedures”); and this DA has been prepared, processed, considered and adopted in accordance with such procedures and the Development Agreement Statute; and

WHEREAS, LOS ALAMITOS RACE COURSE, a California general partnership, and CYPRESS GC, LLC, a California limited liability (collectively, "Property Owner”) (including its Transferee(s) as that term is defined in the DA) proposes to subdivide approximately 151 acres of the Los Alamitos Race Course property, of which 130 acres is subject to this DA, to facilitate the reasonable buildout of the Cypress Town Center and Commons 3.0 Specific Plan including up to 1,791 residential units and up to 440,000 square feet of commercial space (collectively, the “Project”); and

WHEREAS, City and Property Owner propose to enter into the DA that is attached hereto as <u>Exhibit A</u>; and

WHEREAS, as set forth in more detail in the DA, City has determined that redevelopment of the Site with the Project will facilitate achievement of numerous goals and policies and is consistent with the actions, goals, objectives and policies of the City’s General Plan, the Cypress Town Center and Commons 3.0 Specific Plan (“Specific Plan”), as amended, and the Municipal Code; is in the best interests of the City of Cypress; and is in conformity with and will promote the public convenience, health, interest, safety, general welfare, and good land use practices; and

WHEREAS, the discretionary entitlement process for the Project is subject to compliance with the California Environmental Quality Act (CEQA); and to satisfy requirements under CEQA, City, as the lead agency, has caused a Final Environmental

Impact Report (EIR) (as that term is defined in the DA) to be prepared, and then processed the EIR in accordance with the applicable requirements of CEQA; and

WHEREAS, the City Council of the City of Cypress did, on July 14, 2026, and August 25, 2026 hold a duly noticed public hearing to consider the EIR, the Vesting Tentative Tract Map No. 19247, and the Development Agreement. Following receipt of public testimony and consideration of all evidence and documentation in the record, the City Council closed the public hearing, deliberated, certified the Final EIR as reflecting the City's independent judgment and analysis and as having been completed in compliance with CEQA, approved the Vesting Tentative Tract Map No. 19247, and introduced this Ordinance for first reading; and

WHEREAS, all actions required to be taken by City precedent to the adoption of this Ordinance have been regularly and duly taken.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CYPRESS, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

<u>Section 1</u>. Findings. The City Council hereby finds and determines as follows:

(a) Approval of the DA is in the best interests of the City; and
(b) The DA is consistent with the actions, goals, objectives, and policies of the General Plan, the Specific Plan, and the City's zoning ordinance; and
(c) The DA will promote the public convenience, health, interest, safety, and welfare of the City.

<u>Section 2</u>. Approval. The City Council hereby approves and adopts the DA in the form presented to the City Council concurrent with the approval and adoption of this Ordinance, which form is attached hereto as <u>Exhibit A</u>. The City Council authorizes and directs the Mayor to execute the DA on behalf of the City, and the City Clerk to record the DA in the Official Records of Orange County in accordance with applicable law.

<u>Section 3</u>. Environmental. The City has caused to be prepared the EIR, which analyzed the Project's potential environmental impacts and therefore considered the Project including, among others, the DA. The City certified the EIR on August 25, 2026.

<u>Section 4</u>. Effective Date. This Ordinance shall be in full force and effect thirty (30) days after its adoption.

<u>Section 5</u>. Posting. The City Clerk shall certify the passage and adoption of this Ordinance, and shall cause the same to be posted in at least three public places designated by resolution of the City Council, and shall cause this Ordinance and its certification, together with proof of posting, to be entered into the Book of Ordinances of this City.

FIRST READ at a regular meeting of the City Council of said City held on the 25th day of August, 2026 and finally adopted and order posted at a regular meeting held on the 8th day of September, 2026.

PASSED, APPROVED and ADOPTED this 8th day of September, 2026.

MAYOR OF THE CITY OF CYPRESS

ATTEST:

CITY CLERK OF THE CITY OF CYPRESS

STATE OF
CALIFORNIA)
COUNTY OF ORANGE) ss

I, LISA BERGLUND, City Clerk of the City of Cypress, DO HEREBY CERTIFY THAT THE FOREGOING Ordinance was duly adopted by said City Council at a regular meeting held on the 8th day of September 2026, by the following roll call vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

CITY CLERK OF THE CITY OF CYPRESS

EXHIBIT A

DEVELOPMENT AGREEMENT

BETWEEN

THE CITY OF CYPRESS

AND

LOS ALAMITOS RACE COURSE AND CYPRESS GC, LLC

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City Of Cypress
5275 Orange Avenue
Cypress, California 90630
Attn: City Clerk

THIS SPACE ABOVE FOR RECORDER'S USE
No fee required pursuant to Government Code § 27383

DEVELOPMENT AGREEMENT
(Specific Plan 3.0 Buildout Project)

BETWEEN

THE CITY OF CYPRESS

AND

LOS ALAMITOS RACE COURSE AND CYPRESS GC, LLC

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DEVELOPMENT AGREEMENT
(Specific Plan 3.0 Buildout Project)

This Development Agreement ("**Agreement**"), dated for reference purposes as of September ___, 2026, is executed by and between the CITY OF CYPRESS, a municipal corporation of the State of California (the "**City**"), on the one hand, and LOS ALAMITOS RACE COURSE, a California general partnership, and CYPRESS GC, LLC, a California limited liability (collectively, "**Property Owner**"), on the other hand, with respect to the following facts and circumstances:

RECITALS

A. On November 5, 2024, the voters of the City approved the Cypress Town Center and Commons Specific Plan 3.0 (the "**Specific Plan**") pursuant to "Measure S." The Specific Plan establishes a comprehensive master plan and regulatory framework for the use and development of approximately 151.4 acres of land in the City of Cypress, County of Orange, State of California (the "**Specific Plan Area**").

B. Property Owner owns fee title to and otherwise has a legal or equitable interest in approximately 134 acres of the land and improvements thereon within the Specific Plan Area, which land is more particularly described on **Exhibit A** and depicted on **Exhibit B**, each attached hereto and incorporated herein by this reference (the "**Property**").

C. Property Owner applied to the City for approval of Vesting Tentative Map No. 19247 ("**VTTM 19247**"), which (i) divides land that includes the Property, together with other land currently owned by Grace Community Church of Cypress dba Seacoast Grace Church ("**Grace Church**"), into 14 numbered lots and 4 lettered lots that include existing and planned roadways, (ii) is consistent with the land use districts in the Specific Plan, and (iii) facilitates the development of up to 1,791 residential units and up to 440,000 square feet of non-residential uses on the Property pursuant to the Specific Plan (the "**Project**"). It is anticipated that Property Owner will sell all or portions of the Property to one or more third parties to carry out the development of the Property in accordance with the Specific Plan.

D. To obtain approval of a vesting tentative map, Cypress Municipal Code ("**Municipal Code**") Chapter 25, Article IX contains comprehensive submittal requirements that must be satisfied before a vesting tentative map may be accepted as or deemed complete; provided, however, that the City's Director of Public Works/City Engineer has the authority to waive said submittal requirements if (i) the submittal requirements are deemed unnecessary, duplicative, or inapplicable to a particular development proposal, (ii) a finding is made that the public health, safety, or welfare will not be placed in jeopardy or danger, and (iii) a finding is made that prudent public policy and decision-making will not be hampered by the waiving of submittal requirements. Through this Agreement Property Owner seeks to provide assurances to the City sufficient to make the findings set forth in the preceding sentence.

E. The planning and zoning approvals for the development of the Project on the Property obtained prior to the Effective Date (as defined in Section 1.1, below) of this Agreement (collectively, the "**Development Approvals**") include, but are not limited to, the following:

(a) The Specific Plan;

(b) VTTM 19247;

(c) Final Environmental Impact Report, State Clearinghouse Number 2025040377 (the "**Final EIR**"); and

(d) Mitigation Monitoring and Reporting Program (the "**MMRP**") attached hereto as **Exhibit C**.

F. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted the Development Agreement Law (as defined in Section 1.1, below) which authorizes any city to enter into binding development agreements establishing certain development rights in real property with Persons having legal or equitable interests in such property. Section 65864 of the Government Code, which is part of the Development Agreement Law, provides in part as follows:

The Legislature finds and declares that:

(a) The lack of certainty in the approval of development projects can result in a waste of resources, escalate the cost of housing and other development to the consumer, and discourage investment in and commitment to comprehensive planning which would make maximum efficient utilization of resources at the least economic cost to the public.

(b) Assurance to the applicant for a development project that upon approval of the project, the applicant may proceed with the project in accordance with existing policies, rules and regulations, and subject to conditions of approval, will strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic costs of development.

G. Sections 65865.2 and 65866 of the Government Code, which are part of the Development Agreement Law, specify the required, allowed, and prohibited contents of a development agreement as follows:

(a) A development agreement shall specify the duration of the agreement, the permitted uses of the property, the density or intensity of use, the maximum height and size of proposed buildings, and provisions for reservation or dedication of land for public purposes.

(b) The development agreement may include conditions, terms, restrictions, and requirements for subsequent discretionary actions, provided that such conditions, terms, restrictions, and requirements for subsequent discretionary actions shall not prevent development of the land for the uses and to the density or intensity of development set forth in the agreement.

(c) The agreement may provide that construction shall be commenced within a specified time and that the project or any phase thereof be completed within a specified time.

(d) The agreement may also include terms and conditions relating to applicant financing of necessary public facilities and subsequent reimbursement over time.

(e) Unless otherwise provided by the development agreement, rules, regulations, and official policies governing permitted uses of the land, governing density, and governing design, improvement, and construction standards and specifications, applicable to development of the property subject to a development agreement, shall be those rules, regulations, and official policies in force at the time of execution of the agreement.

(f) A development agreement shall not prevent a city, in subsequent actions applicable to the property, from applying new rules, regulations, and policies which do not conflict with the rules, regulations and official policies described in the preceding sub-paragraph, nor shall a development agreement prevent a city, from denying or conditionally approving any subsequent development project application on the basis of these existing or new rules, regulations, and policies.

The foregoing provisions are also set forth Appendix I, Article 4, Section 21 (Development Agreements) of the Municipal Code, which implements the Development Agreement Law and further authorizes the execution of this Agreement.

H. Property Owner and City have agreed to enter into this Agreement pursuant to the Development Agreement Law and Appendix I, Article 4, Section 21 of the Municipal Code to memorialize and secure the respective expectations of City and Property Owner such that Property Owner may proceed with the Project in accordance with the Vested Regulations (as defined in Section 1.1, below), subject to the provisions of this Agreement.

I. The City and Property Owner recognize that the development of the Property will create significant opportunities for housing and economic growth in the City.

J. Property Owner wishes to obtain reasonable assurances that the Project may develop in accordance with the Vested Regulations, including without limitation the Specific Plan and VTTM 19247, subject to the terms of this Agreement.

K. Property Owner and/or one or more Transferees (as defined in Section 1.1, below) will provide public benefits above and beyond the otherwise allowable conditions of approval and Mitigation Measures (as defined in Section 1.1, below) for the Project.

L. By entering into this Agreement, the City is encouraging the development of the Project as set forth in this Agreement in accordance with the goals and objectives of the City, while reserving to the City the legislative powers necessary to remain responsible and accountable to its residents.

M. The City Council of the City of Cypress ("**City Council**") has specifically considered the advantages and impacts of the Project and found that this Agreement is in the best public interest of City and its residents. Adopting this Agreement constitutes a present exercise of City's police power, and reflects the findings by the City that (i) this Agreement is in the best interests of the City, (ii) this Agreement is consistent with the actions, goals, objectives, and policies of the City of Cypress General Plan (the "**General Plan**"), the Specific Plan, and Appendix I of the Municipal Code, (iii) this Agreement will promote the public convenience, health, interest, safety, or welfare of the City, (iv) the Project is consistent with the General Plan and the Specific Plan, (v) this Agreement and the Project provide for the orderly Development (as defined in Section 1.1, below) of the Property, and (vi) this Agreement provides a clear and substantial public benefit to City and/or its residents. Prior to its approval of this Agreement, the City considered the environmental impacts of the Project and completed its environmental review of the Project pursuant to CEQA (as defined in Section 1.1, below)

N. On August 25, 2026, the City Council certified the Final EIR, approved the MMRP and approved VTTM 19247.

O. Also on August 25, 2026, in accordance with the requirements of the Development Agreement Law, the City Council held a public hearing on the Property Owner's application for this Agreement, made certain findings and determinations with respect thereto, and introduced Ordinance No. 1235 approving this Agreement. On September 8, 2026, the City Council adopted Ordinance No. 1235, which takes effect on October 8, 2026.

AGREEMENT

NOW, THEREFORE, pursuant to the authority contained in the Development Agreement Law, Appendix I, Article 4, Section 21 of the Municipal Code, and Chapter 25, Article IX of the Municipal Code , and in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties (as defined in Section 1.1, below) agree as follows:

1. **DEFINITIONS AND EXHIBITS.**

1.1. **Definitions**. This Agreement uses terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized, or all letters capitalized, when used in this Agreement. The defined terms include the following:

1.1.1 "**Agreement**" has the meaning set forth in the introductory paragraph of this Agreement.

1.1.2 "**Agreement Execution**" means the attestation of this Agreement by the City Clerk of the City after execution by Property Owner and the Mayor of the City.

1.1.3 "**Additional Vested Regulations**" means, as applicable to the Development of the Property, to the extent not a part of the Statutorily Vested Regulations, and to the extent in force on the Effective Date:

(a) The Development Approvals.

(b) Rules, regulations, ordinances, and official policies of the City govern the density or intensity of use of the Property, subdivision requirements, the maximum height and size of proposed buildings, parking requirements, setbacks, development standards, and the provisions for reservation or dedication of land for public purposes.

1.1.4 "**Applicable Law**" means all (a) federal and State laws, regulations and official policies applicable to the Project as of the Effective Date and as they may be amended from time to time, (b) the Vested Regulations, and (c) as of the Effective Date and as they may be amended from time to time, those local laws, regulations, and official policies that are not Vested Regulations and do not conflict with Vested Regulations.

1.1.5 "**Assessment District**" means a financing mechanism under California Law which enables the City to, with the approval of a majority of the landowners within a specified geographic area, collect special assessments to finance improvements or services within or for the benefit of that area.

1.1.6 "**B-Maps**" has the meaning set forth in Section <u>6.3.1</u>, below.

1.1.7 "**B-Map Covenant Instrument**" and "**B-Map Covenant Instruments**" have the meanings set forth in Section <u>6.3.1</u>, below.

1.1.8 "**B-Map Covenant Maintenance Duties**" has the meaning set forth in Section <u>6.3.1</u>, below.

1.1.9 "**Building Codes**" means the building, fire, mechanical, plumbing, electrical and other technical codes and regulations now or hereafter adopted by the City, including without limitation all provisions of the California Building Codes now or hereafter adopted by the City, subject to the City's amendments, additions, and deletions.

1.1.10 "**CD Director**" means the Director of Community Development for the City.

1.1.11 "**CEQA**" means the California Environmental Quality Act (Public Res. Code §§21000 et seq.) and the State CEQA Guidelines (14 Cal. Code Regs., §§15000 et seq.).

1.1.12 "**Certificate**" has the meaning set forth in Section 4.3, below.

1.1.13 "**City**" has the meaning set forth in the introductory paragraph of this Agreement.

1.1.14 "**City Agency**" means each and every agency, department, board, commission, authority, employee, attorney, and/or official acting under the authority of the City, including, without limitation, the City Council and the Planning Commission.

1.1.15 "**City Council**" has the meaning set forth in Recital M, above.

1.1.16 "**Claim**" means any claim, loss, cost, damage, expense, liability, lien, action, cause of action (whether in tort, contract, under statute, at law, in equity or otherwise), charge, award, assessment, fine or penalty of any kind (including consultant and expert fees, Legal Costs, and expenses and investigation costs of whatever kind or nature), including without limitation any claim that results or arises in any way from Applicable Law.

1.1.17 "**Costs**" means quantifiable expenses of any kind, including without limitation the allocated value of staff time, amounts expended for consultants and/or Legal Costs, acquisition expenses, and allocated overhead.

1.1.18 "**Default**" means the failure to perform any material duty or obligation set forth in this Agreement or to comply in good faith with the terms of this Agreement.

1.1.19 "**Deferred Amount**" has the meaning set forth in Section 5.2, below.

1.1.20 "**Deferred Obligation**" has the meaning set forth in Section 5.2, below.

1.1.21 "**Development**" means the demolition of existing improvements on the Property and the construction of new structures, improvements and facilities on the Property as part of the Project, including, but not limited to: grading; the construction of infrastructure and public facilities related to the Project whether located within or outside the Property; the construction of buildings and structures; and the installation of landscaping and improvements.

1.1.22 "**Development Approvals**" has the meaning set forth in Recital E, above.

1.1.23 "**Development Agreement Law**" means Government Code sections 65864 et seq., which governs the terms, procedures, and requirements for entering into statutory development agreements, including this Agreement.

1.1.24 "**Development Impact Fees**" means the monetary consideration charged by City in connection with development projects for the purpose of defraying all or a portion of the cost of mitigating or addressing the impacts of those projects, including providing funds for the development of public facilities. The currently applicable schedule of Development Impact Fees is set forth in **Exhibit E** attached hereto; provided, however, that the categories of Development Impact Fees, and the amount of Development Impact Fees owed in connection with the Development of the Project, shall be those applicable when building permits are issued.

1.1.25 "**Development Requirement**" means any requirement imposed by the City in connection with or pursuant to any Development Approval or Subsequent Development Approval for the dedication of land, the construction or improvement of public facilities, the payment of fees (including Development Impact Fees) or assessments in order to lessen, offset, mitigate or compensate for the impacts of Development on the environment, or the advancement of the public interest.

1.1.26 "**Discretionary Action**" means an action which requires the exercise of judgment, deliberation or a decision on the part of the City and/or any City Agency in the process of approving or disapproving a particular activity, as distinguished from Ministerial Permits and Approvals and any other activity which merely requires the City and/or any City Agency to determine whether there has been compliance with applicable statutes, ordinances and regulations.

1.1.27 "**Easement Termination**" has the meaning set forth in Section 6.6, below.

1.1.28 "**Effective Date**" means the date of Agreement Execution.

1.1.29 "**Final EIR**" has the meaning set forth in Recital E, above.

1.1.30 "**Floating Park Space**" has the meaning set forth in Section 6.9, below.

1.1.31 "**Force Majeure Delay**" means a delay in performance of this Agreement caused by strikes; acts of God; a declaration of emergency as a result of acts of God; pandemics; enemy actions; civil disturbances; wars; insurrections; terrorist acts; fires; floods; earthquakes; unavoidable casualties; referenda; or mediation, arbitration, litigation or other timely commenced administrative or judicial proceeding commenced by a third party to challenge the effectiveness of this Agreement or any Development Approvals.

1.1.32 "**General Plan**" has the meaning set forth in Recital M, above.

1.1.33 "**Grace Church**" has the meaning set forth in Recital C, above.

1.1.34 "**Legal Costs**" means for any Person, all actual and reasonable costs, and expenses such Person incurs in any legal proceeding (or other matter for which such Person is entitled to be reimbursed for its Legal Costs). All references to Legal Costs shall include the salaries, benefits and costs of in-house or contract general counsel of City or Property Owner, respectively, and the lawyers employed in the office of such general counsel who provide legal services regarding a particular matter, adjusted to or billed at an hourly rate and multiplied by the time spent on such matter rounded to increments of one-tenth (1/10th) of an hour, in addition to Legal Costs of outside counsel retained by City or Property Owner, respectively, for such matter.

1.1.35 "**Lot**" means any lot or condominium unit within the Property legally created as a result of any approved final subdivision parcel or tract map pursuant to the Map Act or recordation of a condominium plan pursuant to Civil Code section 4000 et seq..

1.1.36 "**Lots 5/6 Detention Basin**" has the meaning set forth in Section 6.1, below.

1.1.37 "**Lots 5/6 Park**" has the meaning set forth in Section 6.4, below.

1.1.38 "**Map Act**" means the California Subdivision Map Act (Gov. Code, §§ 66410 et seq.)

1.1.39 "**Master Covenant Instrument**" and "**Master Covenant Instruments**" have the meanings set forth in Section 6.3, below.

1.1.40 "**Master Covenant Maintenance Duties**" has the meaning set forth in Section 6.3, below.

1.1.41 "**Master Plan of Drainage**" means that certain Master Plan of Drainage for Specific Plan 3.0 Buildout Project dated March 11, 2026, prepared by Tait & Associates, Inc., and approved by the City.

1.1.42 "**Ministerial Permits and Approvals**" means the permits, approvals, plans, inspections, certificates, documents, licenses, and all other actions required to be taken by the City for the Development of the Project, including without limitation building permits, foundation permits, public works permits, grading permits, stockpile permits, encroachment permits, and other similar permits and approvals that are required by Applicable Law and project plans and other actions required by the Development Approvals and Subsequent Development Approvals to implement the Project. Ministerial Permits and Approvals shall not include any Discretionary Actions.

1.1.43 "**Mortgage**" has the meaning set forth in Section 9.1, below.

1.1.44 "**Mortgagee**" has the meaning set forth in Section 9.2, below.

1.1.45 "**Mitigation Measures**" means those requirements imposed on the Project contained in the MMRP.

1.1.46 "**MMRP**" has the meaning set forth in Recital E, above.

1.1.47 "**Municipal Code**" has the meaning set forth in Recital D, above.

1.1.48 "**Notice**" has the meaning set forth in Section 10.8, below.

1.1.49 "**Official Records**" means the Official Records of Orange County, California.

1.1.50 "**Party**" and "**Parties**" mean and refer to City, Property Owner and their respective duly authorized successors and assigns, including Transferees of Property Owner.

1.1.51 "**Person**" means any association, corporation, governmental entity, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization, or other entity of any kind.

1.1.52 "**Proceeding**" has the meaning set forth in Section 8.1, below.

1.1.53 "**Processing Fees**" means all processing fees and charges required by the City or any City Agency to cover the estimated actual Costs to City of processing applications for Subsequent Development Approvals and/or Ministerial Permits and Approvals, or for monitoring compliance with any Development Approvals, Subsequent Development Approvals, and/or Ministerial Permits and Approvals granted or issued, together with the obligation to fund a deposit account with the City for the payment of such fees and charges. Without limiting the foregoing, Processing Fees include the City's normal fees for processing land use applications, project permits, environmental assessment/review, applications for grading permits and building permits (plumbing, mechanical, electrical, building), including plan check review, inspections and similar fees that are necessary to accomplish the intent and purpose of this Agreement. The amount of the Processing Fees to be applied in connection with the Development of the Project shall be the amount which is in effect for all or a substantial portion of the properties within the City (except to the City's current fee that applies solely to site plan review for projects within the Specific Plan Area) at the time an application for the City action is made, unless an alternative amount is established by the City in a subsequent agreement with Property Owner or a Transferee. For the avoidance of doubt, Development Impact Fees are not Processing Fees.

1.1.54 "**Project**" has the meaning set forth in Recital C, above.

1.1.55 "**Property**" has the meaning set forth in Recital B, above.

1.1.56 "**Property Owner**" has the meaning set forth in the introductory paragraph of this Agreement.

1.1.57 "**Property Owner Affiliate**" means any Person controlling, controlled by, or under common control with Property Owner.

1.1.58 "**Public Buildings**" has the meaning set forth in Section 6.3.1, below.

1.1.59 "**Public Property**" has the meaning set forth in Section 6.3, below.

1.1.60 "**Pump Station**" has the meaning set forth in Section 6.1, below.

1.1.61 "**Pump Station Assessment District**" has the meaning set forth in Section 6.1, below.

1.1.62 "**Required Improvements**" means the improvements to be developed as part of the Project set forth in **Exhibit D**.

1.1.63 "**Reserved Rights**" means the rights and authority excepted from the Vested Regulations, including:

(a) The right and authority to apply to the Project rules, regulations, and policies adopted after Agreement Execution which do not conflict with the Vested Regulations.

(b) The right and authority to deny or conditionally approve any application for a Subsequent Project Approval on the basis of rules, regulations, and policies adopted after Agreement Execution which do not conflict with the Vested Regulations.

(c) The right and authority to take future Discretionary Actions, including without limitation the approval of new regulations, after the approval of the Development Approvals that may conflict with the Vested Regulations, but are reasonably necessary to protect the public health, safety, and welfare.

(d) The right and authority to take future Discretionary Actions, including without limitation the approval of new regulations, after the approval of the Development Approvals that may conflict with the Vested Regulations, but are necessary to comply with State or federal laws and regulations.

(e) The right and authority to take future Discretionary Actions, including without limitation the approval of new regulations, after the approval of the Development Approvals that may conflict with the Vested Regulations, but amend existing Processing Fees or Development Impact Fees or create new Processing Fees or Development Impact Fees.

(f) The right and authority to take future Discretionary Actions, including without limitation the approval of new regulations, after the approval of the Development Approvals that may conflict with the Vested Regulations but concern the enactment, amendment and/or application of the Building Codes and/or local modifications to the Building Codes.

(g) The right and authority to establish or amend procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearing, reports, recommendations, appeals and any other matter of procedure, provided that such procedural regulations are not inconsistent with the Development Approvals.

(h) The right and authority to adopt and apply rules, regulations, and policies regarding the conduct of businesses, professions, and occupations.

(i) The right and authority to adopt and apply rules, regulations, and policies regarding taxes and/or assessments.

(j) The right and authority to adopt and apply rules, regulations, and policies regarding the control and abatement of nuisances.

(k) The right and authority to adopt and apply rules, regulations, and policies regarding the granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property.

(l) The right and authority to adopt and apply rules, regulations, and policies regarding the exercise of the power of eminent domain.

(m) Rules, regulations, and policies which conflict with the Vested Regulations, provided Property Owner and/or a Transferee, as applicable, has given written consent in its or their sole discretion to the application of such rules, regulations, and policies to the Development of the portion of the Property owned by the consenting Property Owner or Transferee.

1.1.64 "**Specific Plan**" has the meaning set forth in Recital A, above.

1.1.65 "**Specific Plan Area**" has the meaning set forth in Recital A, above.

1.1.66 "**Subsequent Development Approvals**" means all further Discretionary Actions for the Development of the Project that are required of or requested by Property Owner and Transferees after the Effective Date.

1.1.67 "**Statutorily Vested Regulations**" means, as applicable to the Development of the Property, the rules, regulations, and official policies of the City governing (i) permitted uses of the land, (ii) density and (iii) design, improvement, and construction standards and specifications in force at the time of Agreement Execution.

1.1.68 "**Term**" means the period of time for which this Agreement shall be effective in accordance with Section 2.3.1, below.

1.1.69 "**Threshold Date**" has the meaning set forth in Section 6.3, below.

1.1.70 "**Traffic Study**" means the Traffic Study for the Project dated January 2026, prepared by Kimley-Horn and Associates, Inc., and approved by the City.

1.1.71 "**Transfer**" means sell, assign, transfer, or grant.

1.1.72 "**Transferee**" means a duly authorized successor in interest, assignee or transferee of all or any portion of the Property or Property Owner's rights and obligations under this Agreement pursuant to Section 2.2, below.

1.1.73 "**Vested Regulations**" means, collectively, the Statutorily Vested Regulations and the Additional Vested Regulations, but excluding and subject to the Reserved Rights.

1.1.74 "**VTTM 19247**" has the meaning set forth in Recital C, above.

1.2. **Exhibits**. The following documents are attached to, and by this reference made a part of, this Agreement:

Exhibit A Legal Description of Property.

Exhibit B Map Showing Property and Its Location.

Exhibit C Mitigation Monitoring and Reporting Program.

Exhibit D Required Improvements and Other Public Benefits.

Exhibit E Current Development Impact Fee Schedule.

Exhibit F Deferred Park Fee Repayment Schedule.

Exhibit G Form of Certificate of Compliance.

Exhibit H Form of Easement Termination.

2. **GENERAL PROVISIONS.**

2.1. **Binding Effect of Agreement**. From and following the Effective Date, the Development of the Project and City actions on applications for Subsequent Development Approvals shall be subject to the terms and provisions of this Agreement.

2.2. **Transfer and Assignment**. Any Transfer of the rights and obligations of Property Owner under this Agreement shall be subject to the satisfaction of all of the following requirements:

2.2.1 **Concurrent Transfer of Property Ownership**. No Transfer of any rights or obligations under this Agreement shall occur without the concurrent Transfer of fee title to the portion of the Property that corresponds with such rights or interests.

2.2.2 **Permitted Transfers**. Property Owner shall have the right to Transfer its rights and obligations under this Agreement to a Property Owner Affiliate in connection with a Transfer of all or any portion of Property Owner's interest in the Property to such Property Owner Affiliate. In the event of any such Transfer, (i) the Property Owner Affiliate shall be liable for performance of the obligations of Property Owner under this Agreement after the date of Transfer with respect to the portion of the Property so transferred and (ii) following written notice to the City, the transferring Property Owner shall be relieved of its legal duty to perform those transferred obligations set forth in this Agreement that are applicable solely to the portion of the Property so transferred. Notwithstanding the foregoing sentences, the transferring Property Owner shall remain responsible for all obligations that do not relate solely to the portion of the Property being Transferred.

2.2.2.1 **Notice of Assignment**. Within ten (10) business days prior to completing a permitted Transfer under Section 2.2.2, above, Property Owner shall deliver written notice to the City of the Transfer, which notice shall include a complete disclosure of the identity of the Transferee.

2.2.3 **Assignment with City Consent**. Subject to the City's consent, which consent shall not be unreasonably withheld, conditioned or delayed, Property Owner shall have the right to Transfer its rights and obligations under this Agreement in connection with a Transfer of all or any portion of Property Owner's interest in the Property to a non-affiliated party. In the event of any such Transfer, Transferee shall be liable for performance of the obligations of Property Owner after the date of Transfer with respect to the portion of the Property so Transferred. Except to the extent Property Owner is in default under this Agreement prior to the Transfer, upon the written consent of the City to the partial or complete Transfer of this Agreement and the express written assumption in a form approved by the City of such transferred obligations of Property Owner under this Agreement by the Transferee, the Property Owner shall be relieved of its legal duty to perform the transferred obligations set forth in this Agreement, other than the obligations that do not relate solely to the portion of the Property being Transferred.

2.2.4 **Transferee Subject to Terms of Agreement.** Following a Transfer of any of the rights and interests of Property Owner in accordance with Section 2.2.2 or 2.2.3, above, the Transferee's exercise, use, and enjoyment of the Property shall be subject to the terms of this Agreement to the same extent as if the Transferee was Property Owner.

2.2.5 **Condition of Assignment or Transfer.** All Transfers under this Section 2.2 shall be undertaken in conjunction with corresponding assignments or transfers of other agreements related to the portion of the Property and the corresponding obligations under this Agreement that are transferred.

2.2.6 **Liability Following Transfer**. The failure of a Transferee to perform obligations transferred in accordance with Section 2.2.2 or 2.2.3, above, may result, at the City's option, in a declaration that this Agreement has been breached and the City may, but shall not be obligated to, exercise its rights and remedies under this Agreement. Any partial termination of this Agreement as it relates to that Transferee's holding is severable from the entire Agreement and shall not affect the remaining entirety of this Agreement.

2.3. **Term**.

2.3.1 **Term**. The term of this Agreement shall commence on the Effective Date and shall expire fifteen (15) years after the Effective Date, unless this Agreement is terminated, modified, or extended by circumstances that are expressly set forth in the following sentence or by the mutual written consent of the Parties. The Term of this Agreement shall automatically be extended for the period of time of any actual delay resulting from (a) a Force Majeure Delay or (b) a legal action or appeal challenging the City's approval of this Agreement and/or the Development Approvals that is filed within ninety (90) days following the City Council's adoption of Ordinance No. ________; provided, however, that no extension under this sentence shall exceed a period of one (1) year.

2.3.2 **Term of VTTM 19247**. The City acknowledges that the Development of the Project may be subject to unavoidable delays due to factors outside Property Owner's control. Pursuant to Government Code section 66452.6(a)(1), and other applicable provisions of the Map Act, the duration of VTTM 19247 shall automatically be extended for the Term of this Agreement.

2.3.3 **Termination Upon Sale Of Individual Lots To Public**. Notwithstanding anything to the contrary in this Agreement, the provisions of this Agreement shall terminate with respect to any individual Lot, and such Lot shall be released from and shall no longer be subject to this Agreement (without the execution or recordation of any further document or the taking of any further action), upon occurrence of both of the following conditions: (a) the Lot has been sold, leased (for a period longer than one (1) year as evidenced by a lease) or otherwise conveyed to a member of the public or any other ultimate purchaser or user that is not Property Owner or a

Transferee; and (b) a certificate of occupancy has been issued for the building on the Lot or a final inspection of the building(s) has been approved by the City authorizing occupancy. The City shall cooperate with Property Owner or its duly authorized successor in interest, at no cost to the City, in executing in recordable form any document that Property Owner or a Transferee may submit to confirm the termination of this Agreement as to any such Lot.

3. DEVELOPMENT OF THE PROPERTY.

3.1. **Vested Right to Develop**. Subject to the terms of this Agreement, Property Owner and each Transferee shall have a vested right to develop the Project consistent with the Development Approvals and Subsequent Development Approvals, subject to compliance with the Mitigation Measures, satisfaction of all applicable conditions of approval, completion of the Required Improvements and compliance with Applicable Law.

3.1.1 **Remodeling, Renovating, Rehabilitating, Rebuilding and Replacing**. Property Owner's and Transferees' vested rights under this Agreement shall include, without limitation, the right to remodel, renovate, rehabilitate, rebuild or replace the Project or any portion thereof throughout the applicable Term for any reason, including, without limitation, in the event of damage, destruction or obsolescence of the Project or any portion thereof, subject to the Development Approvals, the Subsequent Development Approvals, compliance with the Mitigation Measures, satisfaction of all applicable conditions of approval, completion of the Required Improvements, and compliance with Applicable Law.

3.1.2 **Non-Application of Changes in Applicable Law**. Any change in, or addition to, the Vested Regulations adopted or becoming effective after the Effective Date, including, without limitation, any such change by means of ordinance, including but not limited to adoption of an amendment of the Specific Plan, initiative, referendum, resolution, motion, policy, order or moratorium, initiated or instituted for any reason whatsoever and adopted by the City Council or any other City Agency, or any officer or employee thereof, or by the electorate, as the case may be, which would, absent this Agreement, otherwise be applicable to the Property and/or the Project and which would conflict with the Vested Regulations, shall not be applied to the Property or the Project.

3.1.3 **Modification or Suspension by State or Federal Law**. In the event that State or Federal laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or federal laws or regulations, and this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

3.1.3.1 **Notification of Changes Necessary to Comply With Federal or State Law**. Where the City believes a change to a City law, regulation, or policy is necessary to comply with State or federal laws or regulations pursuant to the Reserved Rights, the City shall provide Property Owner and Transferees with a copy of such State or federal law or regulation and a statement of the nature of its conflict with the Vested Regulations and the required changes the City believes is required to comply with such State or federal law or regulation.

3.1.4 **Subsequent Development Approvals**. The City shall not require Property Owner or a Transferee to obtain any Subsequent Development Approvals or Ministerial Permits and Approvals for the Development of the Project in accordance with this Agreement other than those required by the Development Approvals or Applicable Law. In addition, no new requirement to obtain a Subsequent Development Approval that was not required as of the Effective Date shall apply to the Project or any portion thereof until the fifth (5th) anniversary of the Effective Date unless such Subsequent Development Approval process is required by State or federal law or is necessary to protect the public health, safety and welfare.

3.1.4.1 **Modifications to Specific Plan**. The City shall have no obligation to approve an application for a Subsequent Development Approval that is not required under the Vested Regulations and other Applicable Law, provided that any proposed adjustment with respect to the Specific Plan shall be considered by the City in accordance with Section 5.6.2 of the Specific Plan.

3.1.4.2 **CEQA Review**. This Agreement does not modify, alter, or change the City's obligations pursuant to CEQA and acknowledge that proposed Subsequent Development Approvals may require additional environmental review pursuant to CEQA. In the event, but only in the event, that additional environmental review is required pursuant to CEQA, the City agrees to consult in good faith with Property Owner or Transferees and determine in good faith the appropriate level of environmental review in accordance with CEQA.

3.1.5 **Permitted Use**. The City agrees that Property Owner may use the Property during the term of this Agreement for any use that is otherwise permitted by Applicable Law (subject to obtaining any Subsequent Discretionary Approval required for such use).

3.1.6 **Moratoria or Interim Control Ordinances**. Notwithstanding anything to the contrary in this Agreement, if an ordinance, resolution, policy, moratorium or other measure is enacted, whether by action of the City, by initiative, or otherwise, that conflicts with the Vested Regulations and are not an exercise of the Reserved Rights, the City agrees that such ordinance, resolution, moratorium or other measure shall not apply to the Project, the Property or this Agreement.

3.2. **Timing of Development**. The Parties acknowledge that Property Owner cannot at this time predict when or the rate or in what sequence the Property will be developed. Such decisions depend upon numerous factors that are not within the control of Property Owner, such as market orientation and demand, interest rates, absorption, completion, and other similar factors. Since the California Supreme Court held in *Pardee Construction Co. v. City of Camarillo* (1984) 37 Cal.3d 465, that the failure of the parties therein to provide for the timing of development resulted in a later-adopted initiative restricting the timing of development to prevail over such parties' agreement, the Parties do hereby acknowledge and agree that Property Owner shall have the right to develop the Property in such order and at such rate and at such times as Property Owner deems appropriate within the exercise of its subjective business judgment. Nothing in this Section is intended to extend the standard durational limits of any current or subsequent permits issued to Property Owner or Transferee(s).

3.3. **Development of Project**. Property Owner and the City agree that the Development of the Project shall be in accordance with Applicable Law, and that the Applicable Law specifies, as applicable to the Project, the permitted uses of the Property, the density or intensity of use, the maximum height and size of proposed buildings, and provisions for reservation or dedication of land for public purposes. If and to the extent Property Owner and/or Transferees pursue Development of the Project, they shall complete all of the applicable Required Improvements, perform all other applicable lawfully imposed conditions of approval in the Development Approvals and Subsequent Development Approvals, and satisfy all of the applicable Mitigation Measures.

3.3.1 **Agreements and Improvement Securities**. Unless the Parties mutually agree otherwise, Property Owner and any Transferees shall provide agreements and improvement securities in the manner required by Chapter 25, Article V, Section 25-40 of the Municipal Code for all of the Required Improvements, conditions of approval, and Mitigation Measures that are not completed prior to the recordation of the final map/partial final map for VTTM 19247. The Parties acknowledge and agree that the application of this requirement to the Required Improvements, conditions of approval, and Mitigation Measures, is necessary to support the findings required by Chapter 25, Article IX, Section 25-57(e) of the Municipal Code.

3.4. **Processing Fees**. Property Owner and Transferees shall pay all Processing Fees for Subsequent Development Approvals and for Ministerial Permits and Approvals in the amount in effect when such Subsequent Development Approvals or Ministerial Permit and Approvals are sought.

3.5. **Taxes and Assessments and Fees; Reservation of Rights**. This Agreement shall not prevent the City from enacting, levying, or imposing any new or increased tax or assessment or fee that applies to the Property. Property Owner shall timely pay all applicable fees, charges, assessments, and special and general taxes validly imposed in accordance with the Constitution and laws of the State of California. Notwithstanding the foregoing, nothing set forth herein is intended or shall be construed to limit or restrict whatever right Property Owner or any Transferee(s) have to challenge any fee, charge, tax, or assessment adopted by City after the Effective Date.

3.6. **Regulation by Other Public Agencies**. It is acknowledged by the Parties that other public agencies not subject to control by City possess authority to regulate aspects of the Development of the Project on the Property, and this Agreement does not limit the authority of such other public agencies. Property Owner and Transferees may apply for such other permits and approvals as may be required for the Development of the Project from other governmental or quasi-governmental agencies having jurisdiction over the Property. The City shall reasonably cooperate with Property Owner and Transferees in their endeavors to obtain such permits and approvals, provided that Property Owner and Transferee(s) shall pay the City's Costs of such cooperation. Each Party shall take all reasonable actions, and execute, with acknowledgment or affidavit, if required, any and all documents and writings that may be reasonably necessary or proper to achieve the purposes and objectives of this Agreement.

3.7. **Compliance with Government Code Section 66473.7**. Any tentative map prepared for the subdivision(s) included within the Project will comply with Government Code section 66473.7 unless exempt.

4. ANNUAL AND SPECIAL REVIEW.

4.1. **Annual Review**. During the Term, the CD Director shall review this Agreement annually during June of each year following the Effective Date of this Agreement, in order to ascertain the good-faith compliance by Property Owner and/or any Transferee(s) with the terms of the Agreement. The burden of proof shall be on the Property Owner and/or any Transferees to demonstrate compliance with this Agreement to the full satisfaction of, and in a manner prescribed by the CD Director; provided that Property Owner and/or Transferees shall have the burden of demonstrating such good-faith compliance relating solely to each such party's portion of the Property and any Development located thereon.

4.1.1 **Annual Review Procedure**. As part of the annual review, by May 1 of each year, Property Owner and each Transferee, to the extent applicable, shall submit an annual monitoring review statement describing its actions in compliance with this Agreement, in a form acceptable to the CD Director. The statement shall be accompanied by an annual review and administration fee sufficient to defray the estimated Costs of review of the statement and of Property Owner's and each Transferee's compliance with the Agreement. The amount of the annual review fee shall be set by resolution of the City Council. Each Property Owner and Transferee shall have no further obligation to provide an annual statement of compliance and to pay the annual review fee at such time as it no longer holds fee title to any portion of the Property or has received all of the certificates of occupancy required for its development of the portion of the Property for which it holds fee title. If any Property Owner or Transferee fails to provide the statement of compliance in a timely manner, the City will notify Property Owner and Transferee(s) of the annual review obligations in writing at least thirty (30) days prior to completing the CD Director's annual review.

4.1.2 **Evaluation and Determination**. Based on the statement of compliance and such other evidence as may be presented by Property Owner and each Transferee, the CD Director shall determine, based on substantial evidence, whether each Property Owner and Transferee, to the extent applicable, has complied in good faith with the terms of this Agreement.

4.2. **Special Review**. The CD Director may order a special review of compliance with this Agreement at any time upon receipt of reasonable evidence of material noncompliance with the terms of this Agreement. The burden of proof for a special review shall be the same as the burden of proof for an annual review.

4.2.1 **Special Review Costs**. The City's Costs of a special review shall be borne by the City, unless such a special review demonstrates to the satisfaction of the CD Director that Property Owner and/or Transferees, as applicable, have not complied in good faith with the provisions of this Agreement, in which case the noncompliant party(ies) shall reimburse the City for all Costs incurred in conjunction with such special review. Property Owner's and any Transferee's costs of a special review shall be borne by Property Owner and the Transferee, as applicable.

4.2.2 **Special Review Procedure**. In connection with any special review, the CD Director shall give Property Owner and all Transferees written notice that any such review has been commenced, and shall give Property Owner and all Transferees at least thirty (30) days after receipt of such notice to provide to the CD Director with such information as Property Owner and any Transferee deems relevant to such review. In addition, upon the written request of the CD Director, Property Owner and/or any applicable Transferee(s) shall furnish such documents or other information as reasonably requested by the CD Director. Property Owner and/or any applicable Transferee(s) shall have a reasonable opportunity to contest any claim by the City that such party has not complied in good faith with any terms of this Agreement.

4.2.3 **Evaluation and Determination**. Based on such evidence as may be presented by Property Owner and each Transferee and such other evidence as is obtained by or made available to the CD Director, the CD Director shall determine, based on substantial evidence, whether each Property Owner and Transferee is in good-faith compliance with the terms of this Agreement.

4.3. **Results of Annual or Special Review**. If, following an annual or special review pursuant to this Section 4, the CD Director or the City Council, as the case may be, finds good-faith compliance by Property Owner and/or Transferee(s) with this Agreement, the City shall, upon request by Property Owner and/or any Transferee, issue a certificate of compliance ("**Certificate**") to Property Owner(s), in substantially the form provided as **Exhibit G** attached hereto and incorporated herein by this reference. Property Owner and/or such Transferee shall have the right to record any issued Certificate in the Official Records. If, following an annual or special review pursuant to this Section 4, the CD Director concludes that Property Owner and/or any Transferee(s) are not in good-faith compliance with the terms of this Agreement, then the CD Director may recommend to the City Council that it order, after a noticed public hearing in compliance with Appendix I, Article 5, Section 26 of the Municipal Code, that this Agreement be terminated. At such hearing, the Property Owner and/or Transferee(s) shall be entitled to address all of the issues considered by the CD Director in making their determination. Information presented by Property Owner and/or Transferees at such hearing may be presented orally and/or in writing. If, after receiving any written response of Property Owner and/or Transferees to the CD Director's determination, and after considering all of the information presented at such hearing, the City Council finds and determines that Property Owner and/or Transferees have not in good faith complied with the terms and conditions of this Agreement, then the City Council shall specify in writing to Property Owner and/or Transferees the respects in which Property Owner and/or any Transferees have failed to so comply, and shall also specify a reasonable time for Property Owner and/or Transferees to remedy such noncompliance, which time shall be not less than sixty (60) days after Property Owner's and/or the Transferees' receipt of such notice, provided that if such noncompliance is not susceptible to remedy within such sixty (60)-day period, Property Owner and/or the applicable Transferee(s) shall promptly commence the remedy and complete the remedy within such time as is established by the City in its reasonable good-faith discretion. A determination by the City Council of non-compliance shall be in writing delivered in accordance with Section 10.8, below, and shall specify in detail the grounds therefor, so that Property Owner and/or the applicable Transferee(s) shall have the opportunity to implement any measures necessary to cure such noncompliance. If the noncompliance so specified by the City Council is not cured within the time so specified, then the City may pursue the remedies provided in Section 7, below.

4.4. **City's Rights and Remedies Against Property Owner**. The City's rights under this Section 4 relating to Property Owner's compliance with this Agreement shall be limited to Property Owner's obligations under this Agreement that have not been assigned to, and assumed by, Transferees pursuant to Section 2.2, above.

5. FEES, REQUIRED IMPROVEMENTS, AND BENEFITS.

5.1. **Development Impact Fees**. Property Owner and Transferee(s) shall pay Development Impact Fees in connection with the issuance of building permits for the Project, and in the amount applicable at the time of issuance of building permits.

5.2. **Deferred Park Fees**. Property Owner acknowledges and agrees that, under that certain Agreement for Reduction and Deferral of Portion of Required Park In-Lieu Fee and Repayment of Same for Melia Homes Project" dated as of April 26, 2021, by and among Property Owner and the City, Property Owner is obliged to repay the City the sum of $1,001,835 (the "**Deferred Amount**"), which is to be prorated and included in the calculation of the park in-lieu fee otherwise required and payable for the remaining residential units approved by the City and for which building permits are issued by the City (the "**Deferred Obligation**"). To satisfy the Deferred Obligation, Property Owner shall do one of the following:

(a) Pay each amount specified in **Exhibit F** attached hereto and incorporated herein by this reference as a condition to the recordation of a final map for each corresponding Lot in VTTM 19247 shown in **Exhibit F**; provided, however, that nothing in this section prohibits Property Owner from paying all or a portion of the Deferred Amount at any time prior to the times specified in **Exhibit F**; or

(b) Enter into a written agreement acceptable to the City, in its sole and absolute discretion, to discharge all or a portion of the Deferred Obligation in exchange for the conveyance of fee title to the approximately 1.22-acre parcel designated as Lot 1 on VTTM 19247 to the City.

5.3. **Required Improvements and Public Benefits**. Property Owner and/or Transferees shall construct the Required Improvements and satisfy the other requirements relating to the Project in the time and manner described in **Exhibit D** attached hereto and incorporated herein by this reference, even though the cost of complying with some of those requirements may exceed the Development Requirements the City could otherwise lawfully impose on the Project.

6. **MAINTENANCE AND OPERATION COSTS AND OTHER COMMITMENTS.**

6.1. **Pump Station Assessment District; Covenant Regarding Assessment District**. City may request that Property Owner agree to form an Assessment District (a "**Pump Station Assessment District**") that includes Lots 3, 4 and 7 in VTTM 19247 (the "**Assessment Property**") for the purpose of funding the maintenance and operations costs for the stormwater pump station (the "**Pump Station**") to be installed on Lot 5 and 6 of VTTM 19247 in connection with the operation of the stormwater detention basin, and any associated water quality basins or devices, contemplated on Lots 5 and 6 (the "**Lots 5/6 Detention Basin**") in accordance with the Master Plan of Drainage. Property Owner hereby irrevocably consents to formation of a Pump Station Assessment District and the inclusion of the Assessment Property therein and waives any and all right of protest or objection with respect to such formation. Property Owner agrees to cooperate with City and take all necessary action to accomplish the formation of a Pump Station Assessment District and the inclusion of the Assessment Property therein, for the purposes of funding the maintenance and operation of the Pump Station, and Property Owner further agrees to pay all actual and reasonable costs associated with the formation of a Pump Station Assessment District. Property Owner agrees to cooperate in the imposition of assessments related to a Pump Station Assessment District, including without limitation, if required by City, the submission of a ballot to the City by Property Owner (or its successors in interest) in favor of the formation a Pump Station Assessment District and the levying of such assessments. Nothing herein shall be construed as a commitment by City to form a Pump Station Assessment District or as a limitation on City's legislative discretion with respect thereto. Property Owner has agreed to the financing provisions set forth in this Section and to perform the obligations hereunder in exchange for the consideration and benefits provided to Property Owner by City under this Agreement. For avoidance of doubt, the Parties agree that this Agreement includes and constitutes a covenant not to contest the formation of a Pump Station Assessment District that includes the Assessment Property. The covenant shall be binding upon successive owners of the Assessment Property.

6.2. **Other Assessment Districts**. At the request of Property Owner, the City shall reasonably consider and cooperate in the formation of one or more Assessment Districts, including community facilities districts (Gov. Code, §§ 53311 et seq.), tax-exempt and taxable financing mechanisms, or other funding mechanisms related to slope stabilization and infrastructure work and improvements (including, without limitation, design, acquisition and construction costs). The City shall reasonably consider and cooperate in the prompt and commercially reasonable sale of bonds to be issued and secured by such assessments or special taxes. Property Owner shall pay all Costs incurred by the City pursuant to this Section.

6.3. **Maintenance Covenants**. Prior to the two applicable Threshold Dates (as defined below), Property Owner and/or the applicable Transferee(s) shall deliver to the City for its review and approval a declaration of covenants, conditions and restrictions, a reciprocal easement agreement and/or similar instrument in recordable form to establish as covenants running with the land (each a "**Master Covenant Instrument**" and, collectively, the "**Master Covenant Instruments**") the obligation of Property Owner, the applicable Transferee(s), a homeowners association, a property owners association, or another entity reasonably approved by the City to (1) maintain and repair (a) the Lots 5/6 Park, (b) landscaping, irrigation, and water quality best management practices devices and improvements, within public rights-of-way (including medians and parkways) on the Property, which will include the segments of Moody Street and Vessels Circle located within the Property, (c) green trails and bike paths; (d) utilities metered to the publicly owned portions of the Property ("**Public Property**"); and (e) signs on the Public Property; and (2) ensure trash collection and removal related to the Public Property (collectively, the "**Master Covenant Maintenance Duties**"). The Master Covenant Instrument(s) shall be recorded against the Property (or applicable portions thereof) and shall, among other things, authorize the levy of assessments or substantially similar cost-sharing obligations against the Property (or applicable portions thereof) in order to fund the Master Covenant Maintenance Duties. One Master Covenant Instrument shall address the Master Covenant Maintenance Duties as applicable to the Lots 5/6 Detention Basin and shall be recorded against Lots 3, 4, and 7; the "**Threshold Date**" as applicable to such Master Covenant Instrument shall mean the intended date of issuance of the first construction permit for any Project improvements located on Lots 3, 4 and 7; provided, however, that no certificate of occupancy for any Project improvement within Lots 3, 4, and 7 shall be issued unless and until the Master Covenant Instrument for the Lots 5/6 Detention Basin shall have been approved by the City and recorded against Lots 3, 4, and 7. The other Master Covenant Instrument shall address all of the remaining Master Covenant Maintenance Duties and shall be recorded against all of the Property; the Threshold Date as applicable to such Master Covenant Instrument shall mean the intended date of issuance of the first construction permit for any Project improvement within the Property (other than Lot 14); provided however that no certificate of occupancy for any Project improvement within the Property shall be issued unless and until such Master Covenant Instrument is approved by the City and recorded against the Property. Any covenant instrument similar in nature to the Master Covenant Instruments that is subsequently recorded against a portion of the Property with respect to the development of specific development projects on such portion of the Property in accordance with the Specific Plan shall be subordinate to and consistent with the corresponding Master Covenant Instrument as it relates to such portion of the Property, and shall require City review and approval to determine consistency with such Master Covenant Instrument prior to recordation.

6.3.1 **Maintenance Conditions on Subsequent Map Approvals**. Property Owner and Transferees agree that the City may condition subsequent subdivision maps and/or condominium approvals applied for in connection with the development of the Property ("**B-Maps**") with site-specific maintenance obligations in addition to those maintenance obligations set forth in Section 6.3, above. Property Owner and Transferees agree and acknowledge that such condition will require that by a reasonable date established by the City, Property Owner and/or the applicable Transferee(s) shall deliver to the City for its review and approval a declaration of covenants, conditions and restrictions, a reciprocal easement agreement and/or similar instrument in recordable form to establish as covenants running with the land (each a "**B-Map Covenant Instrument**" and, collectively, the "**B-Map Covenant Instruments**") within the boundaries of each B-Map the obligation of Property Owner, the applicable Transferee(s), a homeowners association, a property owners association, or another entity reasonably approved by the City to (1) maintain and repair (a) any Public Property; private roads within and adjacent to the boundaries of the B-Map, including without limitation streets, sidewalks, curbs, gutters; any publicly or privately owned parks (including, without limitation, including, without limitation, 2 acres of publicly or privately owned floating park in the development, and the privately owned and maintained, but publicly accessible Lots 5/6 Park); landscaping, irrigation, and water quality best management practices devices and improvements; (b) green trails and bike paths, if any, within the boundaries of the B-Map; (c) gas, water and waste pipes, sewers, ducts, chutes, conduits, wires and utility installations which are located within any of the buildings, if any, within the boundaries of the B-Map ("**Public Buildings**") or in the exterior walls, ceilings, foundations or foundation slabs within any of the Public Buildings; (d) the water system for the Public Buildings to the back of each individual water meter within the boundaries of the B-Map; (e) utilities metered to Public Property within the boundaries of the B-Map; (f) signs on the Public Property within the boundaries of the B-Map; (2) paint and otherwise maintain the exterior surfaces of the exterior walls of the Public Buildings within the boundaries of the B-Map; (3) ensure trash collection and removal related to the Public Property within the boundaries of the B-Map; (4) ensure necessary janitorial, custodial, or security lock-up services for maintaining the Public Property within the boundaries of the B-Map; and (5) reimburse to the City for municipal police services, security, and other services benefiting the Public Property within the boundaries of the B-Map (collectively, the "**B-Map Maintenance Duties**"). The B-Map Covenant Instrument(s) shall be recorded against the Property (or applicable portions thereof) and shall, among other things, authorize the levy of assessments or substantially similar cost-sharing obligations against the Property (or applicable portions thereof) in order to fund the B-Map Maintenance Duties. Any covenant instrument similar in nature to the B-Map Covenant Instruments that is subsequently recorded against a portion of the Property with respect to the development of specific development projects on such Property in accordance with the Specific Plan shall be subordinate to and consistent with the corresponding B-Map Covenant Instrument as it relates to such portion of the Property, and shall require City review and approval to determine consistency with such B-Map Covenant Instrument prior to recordation. Recordation of each B-Map Covenant Instrument shall occur prior to issuance of the first certificate of occupancy for any Project improvement within the boundaries of the Property against which the B-Map Covenant Instrument will be recorded.

6.4. **Lot 5/6 Park and Stormwater Detention**. The Specific Plan contemplates the construction of a park on Lots 5 and 6 in VTTM 19247 (the "**Lots 5/6 Park**"). The development of the Lots 5/6 Park shall be consistent with the Specific Plan and any reasonable City standards for neighborhood parks that are not inconsistent with the Specific Plan, except as provided below. The City acknowledges that the design and development of the Lots 5/6 Park may be undertaken by a Transferee in connection with the development of one or more of the other Lots or portions thereof in VTTM 19247, so that the design and development of the Lots 5/6 Park may be part of an application that includes both the Lots 5/6 Park and commercial and/or residential development of another portion or portions of the Property. Therefore, the process for the development of the Lots 5/6 Park may occur independently or as part of a larger project undertaken by Property Owner and/or one or more Transferees, but the development process for the Lots 5/6 Park shall occur under the direction of the City's Public Works and Recreation and Community Services Departments. The City further acknowledges that VTTM 19247 contemplates the construction of the Lots 5/6 Detention Basin on Lots 5 and 6, which may require the dual use of Lots 5 and 6 for a park and stormwater detention basin; provided, however, that if and to the extent all or a portion the Lots 5/6 Detention Basin is not open and usable as either active or passive recreational space, consistent with Municipal Code requirements, then additional public park space shall be provided at one or more locations elsewhere on the Property in an aggregate amount equal to the unusable portion of the basin area, which additional public park space shall be open and usable as either active or passive recreational space, consistent with Municipal Code requirements. The City will work with Property Owner or a Transferee in good faith to accomplish and implement this dual use. Property

Owner and Transferee(s) acknowledge and agree that the City may exercise its reasonable discretion in approving the design and plans for the Lots 5/6 Park to ensure that it has a quality substantially equivalent to the City's most recently approved parks (excluding Lexington Park). Nothing in this Section shall prevent all or a portion of the Lots 5/6 Detention Basin from being located underground and no additional public park space shall be required with respect to any such underground area, so long as the land above such underground area includes active or passive recreational space that is open and usable. The design and development process for the Lots 5/6 Park shall generally include the following:

Task 1 – Project Initiation. Property Owner or the applicable Transferee shall meet with City staff to confirm project goals, schedule, communication protocols and the integration of the park and detention basin.

(a) ***Task 2 – Community Outreach and Conceptual Design***. Property Owner or the applicable Transferee shall conduct public outreach and present concepts to City staff, the Recreation and Community Services Commission and the City Council to gather feedback and direction. Property Owner or the applicable Transferee shall prepare conceptual park/detention basin designs reflecting site conditions and community input and refine to a single preferred concept for City review and approval.

(b) ***Task 3 – Park Master Plan***. Property Owner or the applicable Transferee shall prepare a detailed park/detention basin master plan based on the approved concept, including layout, amenities, grading, landscape, irrigation, and sustainable design features, which will be considered for approval by the City Council on a stand-alone basis or as part of the approval process for a larger project of which the Lots 5/6 Park is a part.

(c) ***Task 4 – Final Design and Construction Documents***. Property Owner and/or the applicable Transferee(s) shall prepare and obtain City approval of complete final design and construction documents for the approved park/detention basin improvements, including demolition, grading, drainage, utilities, landscape, irrigation, and all other relevant disciplines, and obtain the necessary building permits.

(d) ***Task 5 – Construction, Inspection and Project Closeout***. Property Owner and/or the applicable Transferee(s) shall coordinate with the City and all applicable regulatory agencies to obtain all required permits, inspections, and approvals and shall thereafter construct the park/detention basin improvements in accordance with the approved plans and specifications. Property Owner and/or the applicable Transferee(s) shall complete all punch list items, submit record drawings, and achieve final acceptance by the City.

All Costs associated with the development of the Lots 5/6 Park shall be borne by Property Owner and/or the applicable Transferees.

6.5. **Acceptance of Public Streets and Utilities**. The City shall not accept, operate, or maintain any public streets or utilities unless and until such streets or utilities are built to City standards and accepted by the City in writing. All streets, landscaping, and utilities identified on future subdivision maps within the Property (*i.e.*, B-Maps) shall be privately owned and maintained.

6.6. **Easement Termination.** Within ninety (90) days following the full closure and demolition of the Los Alamitos Race Course, or such other time as is mutually agreed upon between the Parties in writing, Property Owner shall provide to City, in the form attached as **Exhibit H**, a termination of that certain Easement Agreement dated as of May 23, 2018, by and between Cypress Recreation & Park District and Property Owner, and recorded on May 31, 2018 as Instrument No. 2018000198493 in the Official Records (the "**Easement Termination**").

6.7. **Merger of Lots 5 and 6**. Subject to any required City approval, prior to the issuance of any permits for the construction of Project improvements on Lots 5 and 6 of VTTM 19247, Property Owner or a Transferee shall record documentation sufficient to cause the merger of Lots 5 and 6 in VTTM 19247.

6.8. **Merger or Lot Tie for Lots 8 and 9**. Subject to any required City approval, within one hundred eighty (180) days after the recordation of the final map for VTTM 19247 (or the portion thereof that is applicable to Lots 8 and 9 in VTTM 19247), Property Owner or a Transferee shall cause Grace Church to record documentation sufficient to either: (i) cause the merger of Lots 8 and 9 in VTTM 19247; or (ii) create a lot tie for Lots 8 and 9 in VTTM 19247.

6.9. **Two-Acre Public Park Overlay**. **Section 6.9 Two-Acre Public Park Overlay**. The Specific Plan includes a two-acre public park overlay that allows a total of two acres of public park space to be developed within the Specific Plan Area (the "Floating Park Space"). The location of the Floating Park Space shall be identified prior to the issuance of any building permit for private improvements in any of Lots 2, 3, 4, 7, and 13 of VTTM 19247. The Floating Park Space shall include at least one park space that is at least one acre in size. As part of the design and development process described below, all or a portion of the Floating Park Space may be designed and improved, in whole or in part, as a public square, plaza, or other urban, pedestrian-oriented gathering space, in lieu of or in combination with more traditional park or recreational uses, provided that any such design and uses are remains consistent with the Specific Plan and are approved by the City through the process set forth in this Section. The park created on the Floating Park Space may be a publicly owned park, or a privately owned park with public access pursuant to an easement or other instrument reasonably approved by the City. Development of the Floating Park Space shall follow the same design, review, approval, and development process set forth in Section 6.4, above, for the Lots 5/6 Park. The City will negotiate the ownership of the Floating Park Space with the Person that develops the VTTM 19247 lot upon which the Floating Park Space is located.

6.10. **Bicycle and Pedestrian Accessibility**. All bicycle paths throughout the Specific Plan Area shall be publicly accessible, pursuant to a public access easement or other instrument reasonably approved by the City. Trails, walkways, and greenspaces located within the privately owned development areas of Lots 2, 3, 4, 7, 10, 11, and 12 of VTTM 19247 may be privately owned and may be restricted for use by residents, tenants, owners, and invitees within the Specific Plan Area, but shall not be restricted solely to the residents, tenants, owners, or invitees of the lot on which such trails, walkways, or greenspaces are located. Reciprocal access easements shall be established for the benefit of the property owners within Lots 2, 3, 4, 7, 10, 11, 12, 13, and 14 of VTTM 19247, in a form acceptable to the City, to ensure appropriate bicycle and pedestrian connectivity within the Specific Plan Area.

7. **DEFAULT AND REMEDIES.**

7.1. **Specific Performance Available**. The Parties acknowledge that money damages and remedies at law generally are inadequate and specific performance is a particularly appropriate remedy for the enforcement of this Agreement and should be available to Property Owner, Transferees and the City because the size, nature and scope of the Project, make it impractical or impossible to restore the Property to its natural condition once implementation of this Agreement has begun. After such implementation, Property Owner, Transferees, and/or the City may be foreclosed from other choices they may have had to utilize or condition the uses of the Property or portions thereof. Property Owner, Transferees, and the City have invested significant time and resources in performing extensive planning and processing for the Project and in negotiating and agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of this Agreement, such that it would be extremely difficult to determine the sum of money which would adequately compensate Property Owner and/or City for such efforts. The Parties therefore agree that specific performance and the termination of this Agreement shall be the sole remedies available for a breach of this Agreement.

7.2. **Money Damages Unavailable**. It is acknowledged by the Parties that neither the City nor Property Owner would have entered into this Agreement if it were liable in monetary damages under or with respect to this Agreement or the application thereof. The Parties agree and recognize that, as a practical matter, it may not be possible to determine an amount of monetary damages that would adequately compensate Property Owner and Transferees for their investment of time and financial resources in planning to arrive at the kind, location, intensity of use, and improvements for the Project, nor to calculate the consideration the City would require to enter into this Agreement to justify the exposure. Therefore, the Parties agree that no party shall be entitled to any monetary damages from the other Party for the breach of any provision of this Agreement; provided, however, that an action to enforce the obligation to pay a Processing Fee, Development Impact Fee, or other fee, Cost, tax or assessment under this Agreement shall be deemed a demand for "specific performance" and not a demand for "money damages."

7.3. **Termination of Agreement.**

7.3.1 **Termination of Agreement for Default By Property Owner and/or Transferee(s)**. If the City believes that a Default by Property Owner or any applicable Transferee(s) has occurred with respect to its or their obligations under this Agreement applicable to its or their portions of the Property (as specified in the applicable Transfer agreement pursuant to Section 2.2, above), the City in its discretion may terminate this Agreement, but only with respect to the portion(s) of the Property owned by Property Owner and/or the applicable Transferee(s); provided, however, that the City may only terminate this Agreement pursuant to this Section after following the procedures set forth in Section 4, above (regardless of whether or not the Default is alleged in the context of an annual or special review pursuant to Section 4, above) without resolution of the alleged Default. Prior to termination, the City and Property Owner and/or any applicable Transferee(s) may mutually agree, in their respective sole and absolute discretion, to pursue an alternative dispute resolution process.

7.3.2 **Termination of Agreement for Default By City**. If Property Owner and/or any Transferee(s) believes that a Default by the City has occurred with respect to the obligations of the City under this Agreement applicable to Property Owner's and/or the applicable Transferee(s)' portions of the Property (as specified in the applicable Transfer agreement pursuant to Section 2.2, above), then Property Owner and/or the applicable Transferee(s) in its or their discretion, as applicable, may terminate this Agreement, but only with respect to the portion(s) of the Property owned by Property Owner and/or the applicable Transferee(s); provided, however, that Property Owner and/or the applicable Transferee(s) shall first deliver written notice of the alleged Default to the City setting forth the nature of the Default and the actions required by the City to cure such Default. Upon receipt of such notice, the City shall promptly commence to cure the identified Default and shall take such actions and cure such Default not later than sixty (60) days after receipt of such notice, or such longer period as is reasonably necessary to remedy such Default, provided that the City commences such remedy within such sixty (60)-day period and diligently and continuously proceeds to complete such actions and cure the Default. If the City fails to remedy the Default in accordance with the preceding sentence, Property Owner and/or the applicable Transferee(s) may then proceed to terminate this Agreement only with respect to the portion(s) of the Property owned by Property Owner and/or the applicable Transferee(s). Prior to termination, the City and Property Owner and/or any applicable Transferee(s) may mutually agree, in their respective sole and absolute discretion, to pursue an alternative dispute resolution process.

8. INDEMNIFICATION.

8.1. **Indemnity Obligations**. Property Owner hereby agrees to defend, indemnify, and hold harmless the City and any City Agency, from any third-party action or proceeding ("**Proceeding**") against the City or any City Agency involving a Claim (a) to set aside, void, or annul, all or any part of this Agreement or (b) for any damages for property damage, personal injury or death that may arise, directly or indirectly, from Property Owner, Property Owner's contractors, subcontractors, agents or employees operations in connection with the construction of the Project, whether operations be by Property Owner or any of Property Owner's contractors, subcontractors, by any one or more Persons directly or indirectly employed by, or acting as agent for Property Owner or any of Property Owner's contractors or subcontractors. In the event that the City, upon being served with a lawsuit or other legal process to set aside, void or annul all or part of any Project Approval, fails to promptly notify Property Owner in writing of the Proceeding, Property Owner shall thereafter be relieved of the obligations imposed in this Section 8.1. However, if Property Owner has actual written notice of the Proceeding, it shall not be relieved of the obligations imposed hereunder, notwithstanding the failure of the City to provide prompt written notice of the Proceeding. The City shall be considered to have failed to give prompt written notification of a Proceeding if the City, after being served with a lawsuit or other legal process challenging the Approvals, unreasonably delays in providing written notice thereof to Property Owner. As used herein, "unreasonably delay" shall mean any delay of more than thirty (30) days that materially adversely impacts Property Owner's ability to defend the Proceeding. The obligations imposed in this Section 8.1 shall apply notwithstanding any allegation or determination in the Proceedings that the City acted contrary to Applicable Law. Nothing in this Section 8.1 shall be construed to mean that Property Owner or any of its affiliates shall indemnify, hold the City harmless and/or defend it from any Claims arising from, or alleged to arise from, the City's intentional misconduct or gross negligence in the performance of this Agreement. To the extent that the Transfer of all or a portion of the Property to any Transferee(s) has occurred prior to a Proceeding, the provisions of this Section 8.1 shall apply to such Transferee(s) in place of, or in addition to, Property Owner, as applicable.

8.2. **Prevailing Wage Indemnity and Notice to Property Owner of Labor Code Section 1781**. In connection with, but without limiting, the indemnification obligations set forth in Section 8.1, Property Owner hereby expressly acknowledges and agrees that the City is not by this Agreement affirmatively representing, and has not previously affirmatively represented, to the Property Owner or any contractor(s) of Property Owner for any construction on or Development on or adjacent to the Property, in writing or otherwise, in a call for bids or any agreement or otherwise, that any work to be undertaken on the Property, as may be referred to in this Agreement or construed under this Agreement, is not a "public work," as defined in Labor Code section 1720, or under any similar existing or hereinafter enacted law or regulation. The Parties agree that, in connection with the Property Owners' or Transferee's Development and construction (as defined by Applicable Law) of the Project, including, without limitation, any and all public works (as defined by Applicable Law), Property Owner or Transferee shall bear all risks of payment or non-payment of prevailing wages under California law and/or federal law and/or the implementation of Labor Code section 1781, as the same may be amended from time to time, and/or any other similar law. With respect to the foregoing, Property Owner or Transferee shall be solely responsible, with regard to work performed by or under the direction of Property Owner or Transferee, expressly or impliedly and legally and financially, for determining and effectuating compliance with all applicable federal, state and local public works requirements, prevailing wage laws, and labor laws and standards, and City makes no representation, either legally and/or financially, as to the applicability or non-applicability of any federal, state and local laws to the Property Owners' or Transferee's construction of the Project as it may be amended pursuant hereto or otherwise.

Without limiting the foregoing, Property Owner shall indemnify, protect, defend and hold harmless the City and any City Agency, with counsel reasonably acceptable to City, from and against "increased costs" as defined in Labor Code section 1781 (including City's reasonable attorneys' fees, court and litigation costs, and fees of expert witnesses) in connection with the Development or construction (as defined by Applicable Law) of or on the Property, that results or arises in any way from (1) non-compliance by Property Owner of the requirement, if and to the extent applicable, to pay federal or state prevailing wages and hire apprentices, or (2) failure by Property Owner to provide any required disclosure or identification as required by Labor Code sections 1720 et seq. including without limitation specifically Labor Code section 1781, as the same may be amended from time to time. The foregoing indemnity shall survive the expiration or earlier termination of this Agreement. To the extent that the Transfer of all or a portion of the Property to any Transferee(s) has occurred prior to a Proceeding, the provisions of this Section 8.2 shall apply to such Transferee(s) in place of, or in addition to, Property Owner, as applicable.

8.3. **Cooperation**. The City shall reasonably cooperate with Property Owner in the defense of the Proceeding, provided that Property Owner reimburses the City for its Costs for such cooperation. Such obligation of the City to cooperate in its defense shall not require the City to (a) assert a position in its defense of the Proceeding which it has determined, in its sole discretion, has no substantial merit, (b) advocate in its defense of the Proceeding legal theories which it has determined, in its sole discretion, lack substantial merit, or (c) advocate in its defense of the Proceeding legal theories which it has determined, in its sole discretion, are contrary to its best interests, or to public policy. Nothing contained in this Section 8 shall require Property Owner to refrain from asserting in its defense of the Proceeding positions or legal theories that do not satisfy the foregoing requirements. The indemnity obligations in this Section 8 shall not apply to any Claim for which Property Owner has provided a separate indemnity to the City by way of a separate instrument executed by the Parties. To the extent that the Transfer of all or a portion of the Property to any Transferee(s) has occurred prior to a Proceeding, the provisions of this Section 8.2 shall apply to such Transferee(s) in place of, or in addition to, Property Owner, as applicable.

8.4. **Insurance Proceeds**. Property Owner's or any Transferee's obligations shall be reduced by net insurance proceeds the City actually receives for the matter giving rise to indemnification, and the City shall tender any Claim that is subject to this Section 8 to its applicable insurer(s).

8.5. **Challenge to Enforceability of Specific Obligations**. The Parties have determined in good faith that each of the provisions of this Agreement is valid and enforceable. Notwithstanding, if a court of competent jurisdiction finds invalid or unenforceable any provision of this Agreement purporting to supersede or otherwise render ineffectual any Applicable Law, Property Owner and/or the City shall perform its obligations hereunder as specifically directed by such court of competent jurisdiction.

9. MORTGAGEE PROTECTION.

9.1. **Encumbrances on the Property**. The Parties agree that this Agreement shall not prevent or limit Property Owner from encumbering the Property or any estate or interest therein, portion thereof, or any improvement thereon, in any manner whatsoever by one or more mortgages, deeds of trust, sale and leaseback, or other form of secured financing (each, a "**Mortgage**") with respect to the Development, use or operation of the Project and portions thereof. The City acknowledges that the lender(s) providing such Mortgages may require certain Agreement interpretations and modifications and agrees, upon request, from time to time, to meet with Property Owner and representatives of such lender(s) to negotiate in good faith any such request for interpretation or modification. The City shall not unreasonably withhold its consent to any such requested interpretation or modification provided City determines such interpretation or modification is consistent with the intent and purposes of this Agreement. If the City agrees to such interpretation or modification, the City agrees to execute and deliver (and to acknowledge, if necessary, for recording purposes) any agreement necessary to effectuate such interpretation or modification; provided, however, that any such interpretation or modification shall not in any way materially adversely affect any rights of either Party under this Agreement. If there is any conflict between this Section 9 and any other provisions contained in this Agreement, this Section 9 shall control.

9.2. **Mortgagee Protection**. To the extent legally permissible, this Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, including the lien of any Mortgage. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value. Any acquisition or acceptance of title or any right or interest in or with respect to the Property or any portion thereof by the holder of the beneficial interest under a Mortgage (a "**Mortgagee**"), pursuant to foreclosure, trustee's sale, deed in lieu of foreclosure, lease or sublease termination or otherwise, shall be subject to all of the terms and conditions of this Agreement, provided that any such Mortgagee, including its affiliate, that takes title to the Property or the applicable portion thereof shall be entitled to the portion of the benefits arising under this Agreement that apply to the portion of the Property that was the subject of the foreclosure, trustee's sale, deed in lieu of foreclosure, lease or sublease termination or other exercise of rights by Mortgagee.

9.3. **Mortgagee Not Obligated**. Notwithstanding any contrary provision in this Agreement, no Mortgagee shall have any obligation or duty pursuant to this Agreement to perform the obligations of Property Owner or other affirmative covenants of Property Owner hereunder, or to guarantee such performance, except that Mortgagee and any successor shall have no vested right under this Agreement to develop the Project or applicable portion thereof without fully complying with the terms of this Agreement and executing and delivering to the City, in a form and with terms reasonably acceptable to the City, an assumption agreement of Property Owner's obligations hereunder with respect to the applicable portion of the Property.

9.4. **Request for Notice to Mortgagee.** Any Mortgagee that has submitted a request in writing to the City in the manner specified herein for giving notices shall be entitled to receive reasonably prompt written notification from the City of any notice of noncompliance given to Property Owner with respect to the performance of Property Owner's obligations under this Agreement.

9.5. **Mortgagee's Time to Cure.** If the City timely receives a written request from a Mortgagee requesting a copy of any notice of noncompliance given to Property Owner under the terms of this Agreement, the City shall provide a copy of such notice to Mortgagee within ten (10) days of sending such notice to Property Owner. Mortgagee shall have the right, but not the obligation, to cure the non-compliance for a period of sixty (60) days after Mortgagee receives written notice of noncompliance, or any longer period as is reasonably necessary, not to exceed one hundred twenty (120) days to remedy such items of noncompliance, provided that Mortgagee shall continuously and diligently pursue the remedy at all times until the item of noncompliance is cured.

9.6. **Bankruptcy**. If any Mortgagee is prohibited from commencing or prosecuting foreclosure or other appropriate proceedings in the nature of foreclosure by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceedings involving Property Owner, the times specified in Section 9.5, above, shall be extended for the period of the prohibition but not to exceed one (1) year, except that any such extension shall not extend the Term of this Agreement.

9.7. **Disaffirmation**. If this Agreement is terminated by reason of (a) any default or (b) as a result of a bankruptcy proceeding, this Agreement is disaffirmed by a receiver, liquidator, or trustee for Property Owner or its property, the City, if requested by any Mortgagee, shall negotiate in good faith with such Mortgagee for a new development agreement for the Project as to such portion of the Property with the most senior Mortgagee requesting such new agreement. This Agreement does not require any Mortgagee or the City to enter into a new development agreement pursuant to this Section 9.7.

9.8. **Estoppel Certificate.** The City shall, at any time and within thirty (30) days following the written request of a Mortgagee, certify in writing to such Mortgagee that (a) this Agreement is in full force and effect and a binding obligations of the parties hereto, (b) this Agreement has not been amended or modified or, if so amended or modified, identifying the amendments and modifications, and (c) Property Owner is not in Default in the performance of its obligations under this Agreement or, if in Default, to describe therein the nature and extent of any such default. Any such estoppel certificate shall be administratively issued by the Director of Planning/Community Development or his/her representative or designee.

10. MISCELLANEOUS PROVISIONS.

10.1. **Property Owner Challenge to Agreement**. In no event shall Property Owner bring or cause to bring a lawsuit in any court against City to invalidate any provision in this Agreement that would result in the ability of Property Owner to keep the Development Approvals without having to comply with the terms and conditions of this Agreement, provided that the foregoing shall not limit or otherwise affect Property Owner's rights and remedies under Section 7, above.

10.2. **Recordation of Agreement**. As provided in Government Code section 65868.5, this Agreement shall be recorded in the Official Records within ten (10) days following its execution by all Parties. Amendments of this Agreement approved by the City and executed by Property Owner and/or any Transferee(s), and any full or partial termination of this Agreement, shall be similarly recorded.

10.3. **Entire Agreement**. This Agreement sets forth and contains the entire understanding and agreement of the Parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

10.4. **Estoppel Certificate**. The City shall, at any time and within thirty (30) days following the written request of Property Owner or a Transferee, certify in writing to Property Owner and/or such Transferee that (a) this Agreement is in full force and effect and a binding obligations of the parties hereto, (b) this Agreement has not been amended or modified or, if so amended or modified, identifying the amendments and modifications, and (c) Property Owner is not in Default in the performance of its obligations under this Agreement or, if in default, to describe therein the nature and extent of any such Default. Any such estoppel certificate shall be administratively issued by the CD Director or his or her representative or designee. Any third party shall be entitled to rely on such estoppel certificate.

10.5. **Severability**. If any provisions, conditions, or covenants of this Agreement, or the application thereof to any circumstances of either Party, shall be held invalid or unenforceable, the remainder of this Agreement or the application of such provision, condition or covenant to Persons or circumstances other than those as to whom or which it is held invalid or unenforceable shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

10.6. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The Parties agree that all legal actions (including, without limitation, proceedings at law or in equity) arising out of this Agreement, shall be commenced and maintained only in Orange County Superior Court, in any other appropriate court in the County of Orange, or in the United States District Court for the Central District of California, Southern Division. Each Party hereby agrees to submit to the jurisdiction of any and all such courts and further agree that venue shall be proper only in such courts. This Section shall survive the termination of this Agreement.

10.7. **Equitable Servitudes and Covenants Running with the Land**. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do, or refrain from doing, some act with regard to the Development or sale of the Property: (a) is for the benefit of and is a burden upon the Property or a portion thereof, as applicable; (b) runs with the Property and each portion thereof or a portion thereof, as applicable; and (c) is binding upon each Party and each Transferee of the Property or any portion thereof. Nothing herein, however, shall waive or limit the provisions of Section 2.2, above, and no Transferee of the Property, any portion of it, or any interest in it shall have any rights except those validly assigned to such Transferee in writing pursuant to Section 2.2, above. In any event, no owner or tenant of an individual completed residential unit or non-residential space within the Project shall have any rights under this Agreement.

10.8. **Notices**. All notices and other communications required or permitted to be given under this Agreement (a "**Notice**") shall be in writing and shall be (a) personally delivered by courier or overnight delivery service or mailed, certified or registered mail, return receipt requested, or (b) sent by electronic mail where expressly provided in this Agreement, but only if either (i) the recipient of the Notice acknowledges receipt of such transmission by email or (ii) a confirming copy of the Notice is sent by one of the methods set forth in clause (a), above, not later than the first business day following transmission. Any Notice shall be sent, transmitted, or delivered, as applicable, to the applicable Party at the following addresses:

If to City:	City of Cypress 5275 Orange Avenue Cypress, California 90730 Attention: City Manager Email: SDeLong@Cypressca.org
with a copy to:	Aleshire & Wynder, LLP 1 Park Plaza, Suite 1000 Irvine, CA 92614 Attention: William Wynder, Esq.

Email:wwynder@awattorneys.com

If to Property Owner:	Los Alamitos Race Course 4961 Katella Avenue Los Alamitos, California 90720 Attention: Mr. Frank Sherren Email: fsherren@losalamitos.com
with a copy to:	Sheppard, Mullin, Richter & Hampton LLP 350 S. Grand Avenue, 40th Floor Los Angeles, California 90071-3640 Attention: Jack H. Rubens, Esq. Lauren K. Chang, Esq. Emails: jrubens@sheppard.com lchang@sheppard.com.

Personally and courier delivered notices shall be deemed given upon actual personal delivery to the designated address of the intended recipient. Mailed notices shall be deemed given upon the date of actual receipt as evidenced by the return receipt. Electronically mailed notices shall be deemed given upon the date the email is transmitted if transmitted without indication of delivery failure prior to 5:00 p.m. local time for the recipient (and if transmitted without indication of delivery failure after 5:00 p.m. local time for the recipient, then delivery will be deemed duly given at 9:00 a.m. local time for the recipient on the subsequent business day). Any address for notice, including the address for a Transferee may be changed or added from time to time by written notice to the other Party and any Transferee(s) that has assumed any rights and obligations under this Agreement.

10.9. **Constructive Notice and Acceptance**. Every Person that now or hereafter owns or acquires any right, title, interest in or to any portion of the Property, is and shall be conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such Person acquired such interest in the Property.

10.10. **Operating Memoranda**. The provisions of this Agreement require a close degree of cooperation between the City, Property Owner, and any Transferee(s). During the Term of this Agreement, clarifications to this Agreement and the Applicable Law may be appropriate with respect to the details of performance of the City, Property Owner, and any Transferee(s). If and when, from time to time, during the term of this Agreement, the City and Property Owner and/or any Transferee(s) agree that such clarifications are necessary or appropriate, they may effectuate such clarification through operating memoranda approved in writing by the City and Property Owner and/or any Transferee(s), which, after execution, must be attached hereto and become part of this Agreement and the same may be further clarified from time to time as necessary with future written approval by the City and Property Owner. Operating memoranda are not intended to and cannot constitute an amendment to this Agreement but are mere ministerial clarifications; therefore, public notices and hearings shall not be required. The City Manager shall determine whether a clarification may be accomplished through an operating memorandum or whether an amendment to this Agreement is required. The City Manager, or his or her designee, is authorized to execute such operating memoranda without further City Council action.

10.11. **Interpretation**. This Agreement shall be read and construed to fully effectuate, and to be consistent with, the language of the Municipal Code, Appendix I, Article 4, the Development Agreement Law, and this Agreement. The provisions of this Agreement shall be construed as a whole according to their fair meaning to achieve the objectives and purposes of the Parties, and the rule of construction to the effect that ambiguities are to be resolved against the drafting Party or in favor of City shall not be employed in interpreting this Agreement. Each of the Parties having been represented by counsel in the negotiation and preparation hereof.

10.12. **Attorneys' Fees**. In the event of any action between the City, Property Owner and/or any Transferee for enforcement or interpretation of any of the terms or conditions of this Agreement, the prevailing party in such action shall be entitled to recover its reasonable costs and expenses, including without limitation court costs and attorneys' fees actually and reasonably incurred, as awarded by a court of competent jurisdiction; provided, however, that the hourly rate used to calculate "reasonable fees actually and reasonably incurred" shall not exceed the hourly rate for attorney's fees paid by the City. This Section shall survive the termination of this Agreement.

10.13. **Section Headings**. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

10.14. **Singular and Plural**. As used herein, the singular of any word includes the plural where applicable.

10.15. **Time of Essence**. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

10.16. **Waiver**. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought and refers expressly to this Section. No waiver of any right or remedy with respect to any occurrence or event shall be deemed a waiver of any right or remedy with respect to any other occurrence or event.

10.17. **No Third Party Beneficiaries**. This Agreement is made and entered into for the sole protection and benefit for the Parties and their successors and assigns, including Transferees. No other Person shall have any right of action based upon any provision of this Agreement.

10.18. **Force Majeure**. Subject to the limitations set forth below, the Term of this Agreement and the time within which any Party shall be required to perform any act under this Agreement shall be extended by a period of time equal to the number of days during which performance of such act is rendered impossible by a Force Majeure Delay that is beyond the reasonable control of the Party seeking the extension. An extension of time shall be for the period of the Force Majeure Delay and shall commence to run from the time of the commencement of the cause, if written notice by the Party claiming such extension is sent to the other Party within thirty (30) days of the commencement of the cause. If written notice is sent after such thirty (30)-day period, then the extension shall commence to run upon the receipt of such notice. The cumulative extensions of time for Force Majeure Delays for individual performance obligations hereunder shall not exceed six (6) months, and the cumulative extensions of the expiration of this Agreement as a result of Force Majeure Delays shall not exceed one (1) year, unless otherwise agreed to in writing in accordance with Section 10.10 and Section 10.25.

10.19. **Extension of Time Limits**. The time limits set forth in this Agreement may be extended by mutual consent in writing of the Parties without amendment to this Agreement. Except as otherwise specified in this Agreement, each Party may agree or refuse to agree to any extension of time in its sole and absolute discretion.

10.20. **Successors in Interest**. As provided in Government Code section 65868.5, the provisions contained in this Agreement shall be binding upon, and inure to the benefit of, City and Property Owner, Transferees of Property Owner and their respective successors and assigns.

10.21. **Counterparts**. This Agreement may be executed by the Parties in counterparts, which counterparts shall be construed together and have the same effect as if each of the Parties had executed the same instrument.

10.22. **Project as a Private Undertaking**. It is specifically understood and agreed by and between the Parties hereto that the Development of the Project is a private undertaking, that no Party is acting as the agent of the other in any respect hereunder, and that each Party is an independent contracting entity with respect to the provisions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between City and Property Owner is that of a government entity regulating the Development of private property and the owner of such property.

10.23. **Further Actions and Instruments**. Each of the Parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of any Party at any time, the other Party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

10.24. **Eminent Domain**. No provision of this Agreement shall be construed to limit or restrict the exercise by City of its power of eminent domain.

10.25. **Amendments**. This Agreement may be amended from time to time only by written consent of both Parties (or in lieu of and/or in addition to Property Owner, as applicable, any Transferee(s) of the Property or any portion thereof) in accordance with Government Code section 65868, except as otherwise provided in Section 10.10, above, and Section 10.27 below.

10.26. **Authority to Execute**. Property Owner and the City each represents and warrants that the Person(s) executing this Agreement on their behalf have the authority to execute this Agreement and bind that Party to the performance of its obligations hereunder.

10.27. **Amendment of Legal Description and Depiction**. It is anticipated that following the recordation of this Agreement, Property Owner and Grace Church will effect a land swap pursuant to which Grace Church will own Lot 8 in VTTM 19247 and Property Owner will own Lots 5 and 10 in VTTM 19247. Therefore, following the recordation of the "A" final map that corresponds to VTTM 19247 and such land swap, **Exhibit A** and **Exhibit B** to this Agreement shall be amended to reflect that the Property includes Lots 1, 2, 3, 4, 5, 6, 7, 10, 11, 12, 13 and 14 and the lettered lots in such final map, and such amendment shall be considered a mere ministerial clarification, so that no public notice, hearing or City Council approval shall be required.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above.

"City":

CITY OF CYPRESS,
a charter city and municipal corporation

By________________________________
Mayor

ATTEST:

By_______________________
City Clerk

Date: _______________, 2026

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By_______________________
City Attorney

"Property Owner":

LOS ALAMITOS RACE COURSE,
a California general partnership

By: Los Alamitos Racing Association, a California corporation, a general partner

By______________________________
Edward C. Allred,
President

By______________________________
Cathleen Allred,
Secretary

By: Quarter Horse Racing, Inc., a California corporation, a general partner

By______________________________
Edward C. Allred,
Chief Executive Officer

By______________________________
Cathleen Allred,
President and Secretary

CYPRESS GC, LLC,
a California limited liability company

By______________________________
Edward C. Allred,
its Managing Member

EXHIBIT A

Legal Description of the Property

All that certain real property located in the City of Cypress, County of Orange, State of California, and described as follows:

LARC/CYPRESS GC PROPERTY

Parcel A: (APNs: 241-081-02, 241-081-23, 241-091-21, 241-221-22, 241-221-25, 241-221-26, 241-221-27, 241-221-28, 241-221-30 and 241-091-50 and 241-091-51)

Being all of Parcel 1 of Lot Line Adjustment No. 2019-01, recorded January 23, 2020, as Instrument No. 2020000030639 of Official Records in the Office of the County Recorder of said County.

Excepting therefrom, all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered underlying the property, including, without limiting the generality of the foregoing, oil and gas and rights thereto, together with the sole, exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to grantor, its successors and assigns, but without entering upon or using the surface of the property, and in such manner as not to damage the surface of the property, or to interfere with the use thereof by grantee, its successors or assigns, by Quitclaim Deed recorded August 6, 2001, as Instrument No. 20010534711 of Official Records.

Parcel B: (APNs: 241-091-37 and 241-232-37)

Parcel 2 of Lot Line Adjustment No. 2017-01, recorded May 9, 2018, as Instrument No. 2018000168853 of
Official Records in the Office of the County Recorder of said County.
Also excepting from a portion thereof, all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered underlying the property, including, without limiting the generality of the foregoing, oil gas and rights thereto, together with the sole, exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to grantor, its successors and assigns, but without entering upon or using the surface of the property, and such manner as not to damage the surface of the property, or interfere with the use thereof by grantee, its successors and assigns, provided however, that grantor, its successors and assigns, without the prior written permission of the grantee, its successors or assigns, shall not conduct any mining activities of whatsoever nature above a plane 500 feet below the surface of the property, as reserved by Union Pacific Railroad Company, a Delaware corporation recorded December 31, 2003, as Instrument No. 2003001534651 of Official Records.

Parcel C:

A non-exclusive easement for vehicular, equestrian and pedestrian ingress and egress as described in Easement Agreement recorded May 31, 2018, as Instrument No. 2018000198493 of Official Records and more particularly described as follows:

That portion of Parcel 1 of Parcel Map No. 90-241, in the City of Cypress, County of Orange, State of California, per map filed in Book 259, Pages 1 through 12, inclusive, of Parcel Maps, in the Office of the County Recorder of said County, described as follows:

Commencing at the southwest corner of said Parcel 1;
thence along the Westerly line of said Parcel 1 North 00°03'32" West, 347.00 feet;

thence leaving said Westerly line South 41°07'10" East, 459.77 feet, to a point on the Southerly line of said Parcel 1, distant thereon North 89°52'46" East, 302.00 feet, from the Southwest corner thereof, said point being the true point of beginning;
thence along said Southerly line of Parcel 1 North 89°52'46" West, 485.30 feet;
thence parallel with said Westerly line of Parcel 1 North 00°03'32" West, 24.00 feet, to a line parallel with and 24.00 feet Northerly of said Southerly line of Parcel 1;
thence along said last parallel line South 89°52'46" West, 506.19 feet, to the hereinabove described course bearing "South 41°07'10" East";
thence along said last course South 41°07'10" East, 31.80 feet, to the true point of beginning.

GRACE CHURCH PROPERTY

PARCEL A:

PARCEL 1, AS SHOWN ON LOT LINE ADJUSTMENT NO. LL 2009-02, AS EVIDENCE BY DOCUMENT RECORDED JANUARY 21, 2010, AS INSTRUMENT NO. 201000031686 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 1 OF LOT LINE ADJUSTMENT 95-3, IN THE CITY OF CYPRESS, COUNTY OF ORANGE, STATE OF CALIFORNIA, RECORDED JUNE 30, 1997, AS INSTRUMENT NO. 19970303502, OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH THAT PORTION OF PARCEL 1 OF LOT LINE ADJUSTMENT 98-3, IN THE CITY OF CYPRESS, COUNTY OF ORANGE, STATE OF CALIFORNIA, RECORDED JANUARY 12, 1999, AS INSTRUMENT NO. 19990020764, OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF PARCEL 1 OF SAID LOT LINE ADJUSTMENT 95-3; THENCE ALONG THE EAST LINE OF PARCEL 1 OF SAID LOT LINE ADJUSTMENT 98-3, SOUTH 00°04'47" EAST TO A LINE THAT IS PARALLEL WITH AND DISTANT 158.15 FEET FROM THE SOUTH LINE OF PARCEL 1 OF SAID LOT LINE ADJUSTMENT 95-3; THENCE ALONG SAID PARALLEL LINE SOUTH 89°55'13" WEST 550.87 FEET TO THE SOUTHERLY PROLONGATION OF THAT CERTAIN COURSE IN THE WEST LINE OF SAID PARCEL 1, HAVING A BEARING AND DISTANCE OF "N 00°04'47" W 575.52 FEET", AS SHOWN ON SAID LOT LINE ADJUSTMENT 95-3; THENCE ALONG SAID PROLONGATION NORTH 00°04'47" WEST 158.15 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 1; THENCE ALONG SAID SOUTH LINE NORTH 89°55'13" EAST 550.87 FEET TO THE POINT OF BEGINNING.

PARCEL B:

A NON-EXCLUSIVE PERPETUAL EASEMENT, AS SAID EASEMENT IS SET FORTH IN THAT CERTAIN ACCESS AND UTILITY EASEMENT AGREEMENT RECORDED JULY 19, 1991, AS INSTRUMENT NO. 91-377517 AND AMENDED BY THAT CERTAIN FIRST AMENDMENT TO EASEMENT AGREEMENT RECORDED FEBRUARY 13, 2003, AS INSTRUMENT NO. 2003000165238, BOTH OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA, FOR THE PURPOSE OF PEDESTRIAN AND VEHICULAR ACCESS OVER THOSE PORTIONS OF PARCELS 1 AND 4 OF PARCEL MAP NO. 2000-193, AS SHOWN ON A MAP FILED IN BOOK 321, PAGES 13 AND 14 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY, CALIFORNIA, INCLUDED WITHIN THAT CERTAIN STRIP OF LAND DELINEATED THEREON AS "B - INDICATES AN EASEMENT FOR ACCESS PURPOSES, INGRESS AND EGRESS, RESERVED HEREON FOR FUTURE CONVEYANCE".

APN 241-081-08 (Affects a portion of the land);
241-081-12 (Affects a portion of the land); and
241-081-22 (Affects a portion of the land)

Notwithstanding the foregoing, the Property does not include Lots 8 and 9 in VTTM 19247.

EXHIBIT B

Map Showing Property and Its Location

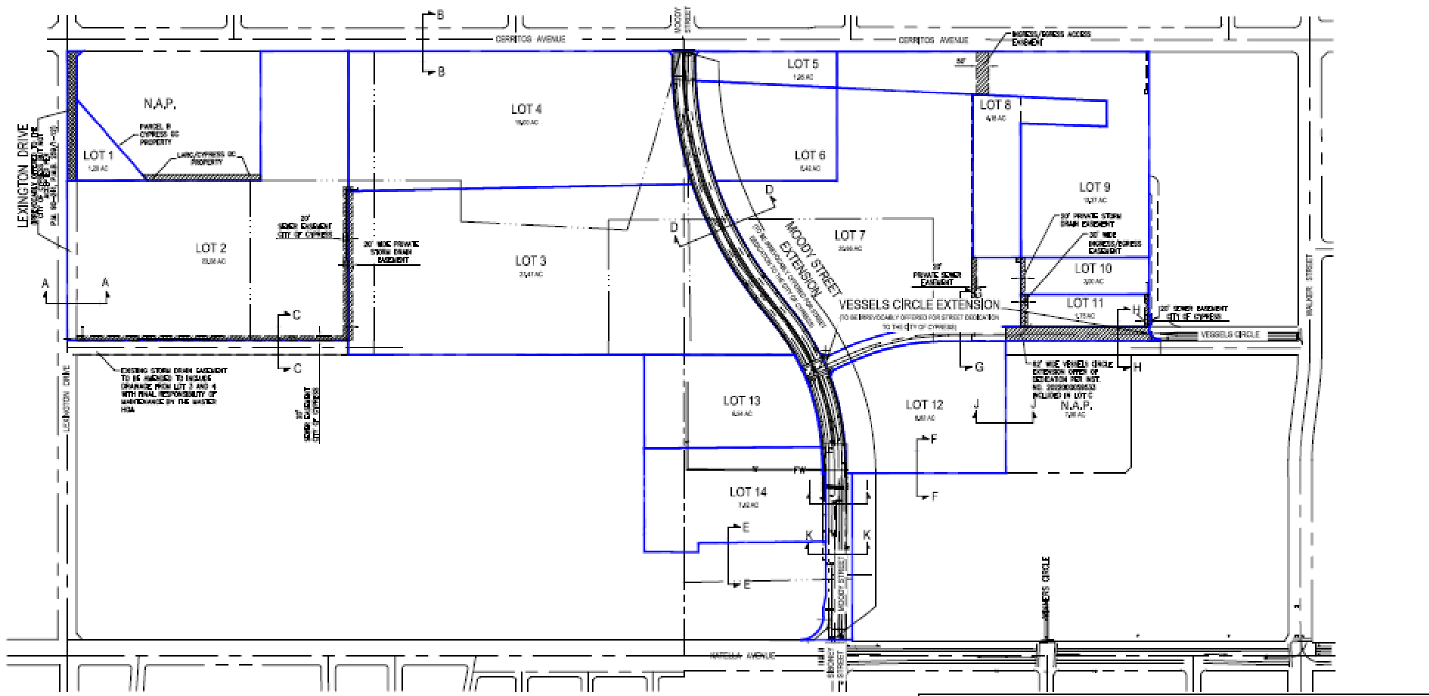
VESTING TENTATIVE TRACT NO. 19247

IN THE CITY OF CYPRESS

COUNTY OF ORANGE, STATE OF CALIFORNIA

TAIT & ASSOCIATES, INC., MARCH 2026

PROPOSED SUBDIVISION



<u>EXHIBIT C</u>

Mitigation Monitoring and Reporting Program

MITIGATION MONITORING AND REPORTING PROGRAM

MITIGATION MONITORING REQUIREMENTS

California Public Resources Code (PRC) Section 21081.6, which is part of the California Environmental Quality Act (CEQA) statute, mandates that the following requirements shall apply to all reporting or mitigation monitoring programs:

- The public agency shall adopt a reporting or monitoring program for the changes made to the project or conditions of project approval in order to mitigate or avoid significant effects on the environment. The reporting or monitoring program shall be designed to ensure compliance during project implementation. For those changes that have been required or incorporated into the project at the request of a responsible agency or a public agency having jurisdiction by law over natural resources affected by the project, that agency shall, if so requested by the lead agency or a responsible agency, prepare and submit a proposed reporting or monitoring program.

- The lead agency shall specify the location and custodian of the documents or other materials that constitute the record of proceedings upon which its decision is based.

- The lead agency shall provide measures to mitigate or avoid potentially significant effects on the environment that are fully enforceable through permit conditions, agreements, or other measures. Conditions of project approval may be set forth in referenced documents that address required mitigation measures or, in the case of the adoption of a plan, policy, regulation, or other project, by incorporating the mitigation measures into the plan, policy, regulation, or project design.

- Prior to the close of the public review period for a draft environmental impact report, a responsible agency, or a public agency having jurisdiction over natural resources affected by the project, shall either (1) submit to the lead agency complete and detailed performance objectives for mitigation measures that would address the significant effects on the environment identified by the responsible agency or agency having jurisdiction over natural resources affected by the project, or (2) refer the lead agency to appropriate, readily available guidelines or reference documents. Any mitigation measures submitted to a lead agency by a responsible agency or an agency having jurisdiction over natural resources affected by the project shall be limited to measures that mitigate impacts to resources that are subject to the statutory authority of, and definitions applicable to, that agency. Compliance or noncompliance with that requirement by a responsible agency or agency having jurisdiction over natural resources affected by a project shall not limit the authority of the responsible agency or agency having jurisdiction over natural resources affected by a project, or the authority of the lead agency, to approve, condition, or deny projects as provided by this division or any other provision of law.

MITIGATION MONITORING PROCEDURES

The mitigation monitoring and reporting program for the proposed Specific Plan 3.0 Buildout Project (proposed project) has been prepared in compliance with PRC Section 21081.6. It describes the requirements and procedures to be followed by the City of Cypress (City), as the Lead Agency, to ensure that all mitigation measures adopted as part of the proposed project will be carried out as described in the Final Environmental Impact Report (EIR).

Table A: Mitigation Monitoring and Reporting Program sets forth the proposed mitigation monitoring and reporting program. It lists each of the mitigation measures specified in Chapter 4.0 of the Draft EIR and identifies the party or parties responsible for implementation and monitoring of each measure.

REGULATORY COMPLIANCE MONITORING PROCEDURES

Table B: Regulatory Compliance Measures lists all regulatory compliance measures associated with the proposed project as specified in in Chapter 4.0 of the Draft EIR and describes the requirements and procedures to be followed by the City to ensure that all standard conditions will be carried out as described in the Draft EIR.

Table A: Mitigation Monitoring and Reporting Program

<table>
<tr><th rowspan="2">Mitigation Measures</th><th rowspan="2">Monitoring Milestone</th><th rowspan="2">Responsible Party</th><th colspan="3">Verification of Compliance</th></tr>
<tr><th>Initials</th><th>Date</th><th>Remarks</th></tr>
<tr><td colspan="6">4.3: Air Quality</td></tr>
<tr><td>Mitigation Measure AIR-1: Prior to issuance of grading permits for development projects in the Buildout Area, a future project applicant in collaboration with the City of Cypress Planning Division shall identify project design details and specifications, where feasible, to document implementation and compliance with emission reduction measures. The City of Cypress Planning Division shall verify compliance through: (1) review and approval of construction drawings and building permit submittals demonstrating incorporation of the emission-reduction measures; (2) documentation or reporting from the contractor or a future project applicant, as deemed necessary by the City of Cypress Planning Division, demonstrating adherence to approved measures.

The measures below shall be implemented and updated as necessary as they are considered feasible and effective in reducing criteria pollutant emissions generated by the project. These measures shall be reviewed and updated in accordance with the most recent emission-reduction and emission-minimization guidance available, including, at a minimum, the California Air Pollution Control Officers Association (CAPCOA) 2024 guidance. A future project applicant shall incorporate all feasible and updated measures into the final construction drawings, building plans, and contractor specifications for City review, including, but not limited to, the following:

• Provide building access and paths which are physically separated from street parking lot traffic and that eliminate physical barriers such as walls, berms, landscaping and slopes that impede the use of pedestrians, bicycle facilities, or public transportation vehicles.
• Provide continuous sidewalks separated from the roadway by landscaping and on street parking.
• Provide a parking lot design that includes clearly marked and shaded pedestrian pathways between transit facilities and building entrances.</td><td>Prior to issuance of grading permits for development projects in the Buildout Area</td><td>City of Cypress / Future Project Applicant(s)</td><td></td><td></td><td></td></tr>
</table>

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
• Provide preferential parking spaces near the entrance of buildings for those who carpool/vanpool/rideshare and provide signage. • Install electric vehicle charging capabilities that meet the requirements of the latest version of the California Green Building Standards Code (CALGreen Code) Tier 2 Voluntary Standards. • Install ENERGY STAR certified heating, cooling, and lighting devices, and appliances or equivalent. • Install only electric fireplaces. • Install low-flow water fixtures. • Utilize energy-efficient design features, including appropriate site orientation, use of lighter color roofing and building materials, and use of deciduous shade trees and windbreak trees to reduce fuel consumption for heating and cooling. • Use light-colored paving and roofing materials. • Use low-volatile organic compound (VOC) paints with 10 grams per liter or less. • Require the use of all-electric landscaping equipment. • Maximizing the planting of trees in landscaping and parking lots.					
Mitigation Measure AIR-2: All construction activities in the Buildout Area shall utilize U.S. EPA Tier 4 Final diesel construction equipment for equipment rated at greater than 50 brake horsepower (bhp) if and to the extent commercially available, or the cleanest available equipment and technology that is commercially available and feasible at the time of construction (e.g., zero-emission or equivalent low-emission equipment), to minimize diesel particulate matter (DPM) emissions. If Tier 4 Final equipment is not commercially available for a majority of the construction equipment and an individual development project would be larger than 20 acres, the City shall require preparation of a construction Health Risk Assessment (HRA) for such development project.	Prior to and during construction activities	City of Cypress / Construction Contractor			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
If a construction HRA is required, it shall be prepared in accordance with current OEHHA methodology and applicable SCAQMD CEQA and health risk assessment guidance. Additional feasible risk-reduction measures identified through the HRA process shall be implemented as determined necessary by the City.					
4.4: Biological Resources					
Mitigation Measure BIO-1: Jurisdictional Delineation. Prior to commencing construction activities that would impact any of the identified aquatic resources in Lots 2, 3, 4, 6 and 7 of Vesting Tentative Tract Map (VTTM) 19247, a jurisdictional delineation shall be conducted, as follows: • Regional Water Quality Control Board (RWQCB) Jurisdiction (Waters of the State): Delineation shall follow the State Wetland Definition and Procedures for Discharges of Dredged or Fill Material to Waters of the State (State Water Resources Control Board [SWRCB] 2019). • California Department of Fish and Wildlife (CDFW) Jurisdiction (Streambed Alteration Program): The extent of CDFW jurisdiction shall be identified consistent with California Fish and Game Code §§ 1600–1616, including the outer limits of the bed, bank, and channel and the extent of any associated riparian vegetation. • US Army Corps of Engineers (USACE) Jurisdiction (Waters of the United States [WOTUS]): The determination that no federal WOTUS occur onsite shall be documented consistent with 33 CFR § 328.3, the USACE 1987 Wetland Delineation Manual, and the appropriate Regional Supplement (USACE 2008). If impacts to RWQCB and/or CDFW jurisdictional waters are expected to occur, appropriate permits or authorization (e.g., Water Quality Certification/Waste Discharge Requirements, CDFW Lake and Streambed Alteration Agreement) shall be obtained prior to construction.	Prior to commencement of construction activities that would impact any of the identified aquatic resources in Lots 2, 3, 4, 6, and 7 of VTTM 19247	Future Project Applicant(s) / Qualified Delineator			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
4.5: Cultural Resources					
Mitigation Measure CUL-1: Prior to demolition activities of any character-defining features, the owner of Los Alamitos Race Course, or subsequent project proponents, shall make photographs and memorabilia, including brochures, promotional flyers, marketing materials, special events announcements and the like (or copies of the same) available to a local library or an Orange County-based historical society: a. For use in an exhibit(s) about horse racing, quarter horses, Frank Vessels, Sr. the Vessels family, pari-mutuel betting and/or the history of Cypress; and/or b. To be part of a permanent archive for research purposes.	Prior to demolition activities of any LARC character-defining features	Owner of LARC or Future Project Applicant(s)			
Mitigation Measure CUL-2: Require future development on portions of the Los Alamitos Race Course property to incorporate one or more of the following: a. A historical marker that provides information about Frank Vessels, Sr. and Los Alamitos Race Course. The marker should be clearly visible and accessible to the public. b. The Vessels' name, the track logo, racing terminology, and/or the names or likenesses (e.g., statuary, wall or garden art, and photographs) of noteworthy Quarter Horses (such as Clabber, Go Man Go, or Moonist).	Prior to project occupancy	Future Project Applicant(s)			
Mitigation Measure CUL-3: Prior to, or in conjunction with, approval of any demolition or development permits that involves the destruction of any portion of the Los Alamitos Race Course property, the Project Applicant should be required to commission documentation of the property in the form of Historic American Building Survey (HABS)-like documentation that complies with the *Secretary of the Interior's Standards for Architectural and Engineering Documentation* (NPS 1990), if any of the character-defining features as identified are still present. The documentation should generally follow the HABS Level III requirements and include digital photographic recordation of the complex, a detailed historic narrative report, and compilation of historic research. Photographic documentation should include:	Prior to, or in conjunction with, approval of any demolition or development permits that involves the destruction of any portion of the LARC property	Future Project Applicant(s) / Qualified Architectural Historian			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
• General views of the site and landscape as a whole • Photographs of the 550-yard chute, track, and winner's circle • Photographs of each exterior elevation of all buildings and structures in the complex • Photographs of the interior of the Grandstand. The documentation should be completed by a qualified architectural historian or historian who meets the Secretary of the Interior's Professional Qualification Standards for History and/or Architectural History (NPS 1983). The original archival-quality documentation shall be offered as donated material to the following entities: South Central Coastal Information Center at CSU Fullerton, Preserve Orange County, the Orange County Historical Society and other repositories to be determined such as local libraries and the American Quarter Horse Association Hall of Fame.					
4.7: Geology and Soils					
Mitigation Measure GEO-1: Implementation of Geotechnical Investigation Recommendations. Future development projects within the Buildout Area shall implement the recommendations of the Geotechnical Investigation prepared for the proposed project, to the satisfaction of the City of Cypress' (City) Building Official, including, but not limited to: **Ground Improvement Techniques.** Ground improvement techniques shall be implemented in the Buildout Area beneath any structure intended for human occupancy. Ground improvements may consist of rammed aggregate piers, vibrated aggregate piers, or similar techniques. The ground improvements must be designed by a qualified ground improvement contractor through coordination with a geotechnical engineer and/or structural engineer to ensure liquefaction in the upper soils. **Building Foundation Techniques.** Subsequent to the installation of any proposed ground improvements, proposed structures, mat or mat-type foundation systems will be used. Conventional foundations may be utilized for support of the lighter at-grade structure if the ground improvements reduce the total and	Prior to the issuance of any grading or building permit	City of Cypress / Future Project Applicant(s)			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
differential settlement to a threshold confirmed by the geotechnical engineer, the structural engineer, and the construction contractor. **Additional site testing and final design evaluation(s)** shall be conducted by a geotechnical consultant to refine and/or enhance these requirements during buildout of the project on an as-needed basis. A future project applicant(s) shall require the geotechnical consultant to assess whether the recommendations in the Geotechnical Investigation need to be modified or refined to address any changes in the project features prior to start of grading. If the geotechnical consultant identifies modifications or refinements to the recommendations, the future project applicant(s) shall make modifications to the final project design and specifications. Examples of additional measures could include: a moisture or vapor retarding system below foundations, additional ground stabilization techniques like cement treatment or aggregate, or removal and replacement of existing soil to eliminate any unsuitable materials or undocumented fill. Design, grading, and construction shall be performed in accordance with applicable requirements in the Municipal Code, the California Building Code, local grading regulations, and any additional measures recommended by the geotechnical consultant in the subsequent geotechnical evaluation(s).					
Mitigation Measure GEO-2: Procedures for Unexpected Paleontological Resources Discoveries. If paleontological resources are discovered during ground-disturbing activities associated with the proposed project, construction personnel shall immediately halt work within 50 feet of the discovery, and a future project applicant/developer or construction supervisor shall contact a qualified paleontologist to assess the discovery for scientific importance. A qualified paleontologist is defined as a person with an M.S. or Ph.D. in geology or paleontology and who meets the standards set forth by the Society of Vertebrate Paleontology. The paleontologist shall make recommendations regarding the collection, treatment, and disposition of the discovery. Scientifically important resources shall be prepared to	During ground-disturbing activities	Construction Contractor / Qualified Paleontologist			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
the point of identification, identified to the lowest taxonomic level possible, cataloged, and curated into the permanent collections of a museum repository. If paleontological resources are discovered, regardless of their scientific importance, paleontological monitoring shall be required for subsequent ground-disturbing activities at a frequency, depth, and/or interval determined by the paleontologist. Paleontological monitoring shall be conducted by a qualified paleontological monitor as set forth in the Society of Vertebrate Paleontology standards. At the conclusion of monitoring, a final monitoring report shall be prepared by the paleontologist to document the results of monitoring and project compliance with all regulations and project requirements. If scientifically important paleontological resources are recovered, this report shall also document those paleontological resources with a catalog, descriptions, and photographs as determined appropriate by the paleontologist. The final monitoring report shall be submitted to the City of Cypress Director of Community Development Department or designee for review and approval. A copy of this final report shall also accompany the fossil material to the museum repository.					
Mitigation Measure GEO-3: Worker Sensitivity Training: Prior to issuance of grading permits, applicants for projects that would include ground-disturbing activities below 10 feet in undisturbed native sediments ranked as having a moderate or high paleontological sensitivity shall be required to retain a qualified paleontologist meeting the requirements set forth by the Society of Vertebrate Paleontology. Prior to and during initial ground-disturbing activities, the qualified paleontologist (or their designee) shall provide worker environmental awareness training to construction personnel. Training shall include recognition of potential fossil materials, appropriate worker response protocols, and contact information for the paleontologist.	Prior to issuance of grading permits	Future Project Applicant(s) / Qualified Paleontologist			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
4.8: Greenhouse Gas Emissions					
Mitigation Measure GHG-1: Prior to issuance of building permits, project applicants for future development within the Buildout Area shall demonstrate to the satisfaction of the City of Cypress (City) Planning Division that the proposed buildings incorporate feasible greenhouse gas (GHG) reduction strategies consistent with current State and local decarbonization goals. Compliance shall be demonstrated through building plans, energy modeling, California Green Building Standards Code (CALGreen Code) checklists, or similar documentation submitted during the plan check process, as deemed necessary by the City. Future project applicants shall comply with either the All-Electric Design Path or the Efficient Mixed-Fuel Design Path, as described below: **Preferred Compliance Path: All Electric Design** - Future development shall be designed and constructed without natural gas infrastructure or natural gas appliances. All space heating, water heating, cooking, and clothes drying systems shall be fully electric. Electrical service panels shall be sized to accommodate expected loads and future electrification needs. **Alternative Compliance Path: Efficient Mixed-Fuel Design** - If a project proposes to install natural gas infrastructure or natural gas appliances, future project applicants shall implement a combination of GHG reduction measures sufficient to minimize GHG emissions from natural gas usage to the maximum extent feasible. Measures may include, but are not limited to, the following: ● Exceed Title 24, Part 6 (Building Energy Efficiency Standards) performance requirements by 10–20 percent, where feasible, as demonstrated through energy modeling or prescriptive compliance documentation. ● Install on-site solar photovoltaic (PV) systems to the maximum feasible extent, including on rooftops and parking canopy structures, where structurally and technically feasible.	Prior to issuance of building permits	City of Cypress / Future Project Applicant(s)			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
• Provide electric-ready infrastructure, including service panel capacity, conduit, wiring, and dedicated circuits, to allow future conversion to all-electric appliances and systems. • Design buildings to achieve, at minimum, Leadership in Energy and Environmental Design (LEED) Silver certification or an equivalent third-party green building rating. • Install programmable thermostats, advanced metering infrastructure, and smart home energy management systems. • Provide heating, ventilation, and air conditioning (HVAC) commissioning consistent with CALGreen Sections 5.410.2–5.410.4, including a commissioning plan, functional performance testing, and a commissioning report. • Install cool roof materials meeting an aged solar reflectance of ≥ 0.30, or the most current CALGreen Code requirement, whichever is more stringent. • Provide infrastructure to accommodate up to 50 percent recycled water use for landscape irrigation, where recycled water supply is available. • Use water-efficient irrigation systems, minimize turf, and incorporate native, low-water, or drought-tolerant plant species. • Install rainwater harvesting systems, where feasible. • Prohibit or restrict the use of potable water for cleaning non-vegetated outdoor surfaces and prohibit systems that apply water to hardscape surfaces. • Implement and maintain robust solid waste diversion programs, including recycling and organic waste collection consistent with Senate Bill (SB) 1383 requirements. All selected GHG reduction measures shall be clearly identified on improvement plans and construction drawings. Compliance with this measure shall be verified by City staff during plan check and confirmed through building inspection prior to final occupancy.					

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
4.9: Hazards and Hazardous Materials					
Mitigation Measure HAZ-1: Prior to the issuance of a building permit, a future project applicant/developer shall demonstrate the recommendations provided in the Phase I Environmental Site Assessment (Phase I ESA) prepared for the Buildout Area have been, or will be, implemented. Recommendations provided in the Phase I ESA include the following: ● Preparation and implementation of an Operations and Maintenance (O&M) Program in order to safely manage the suspect asbestos-containing materials (ACMs) and/or lead-based paint (LBP) associated with the existing structures located within the Buildout Area; and ● Providing a copy of this Draft Environmental Impact Report (EIR) and the Notice of Completion (NOC) to the Orange County Health Care Agency (OCHCA) in order to notify them of the proposed change in land use facilitated under the proposed project.	Prior to issuance of a building permit	Future Project Applicant(s)			
4.17: Transportation					
Mitigation Measure TRA-1: Transportation Demand Management Strategies. The Development Agreement between the City and the Project Applicant regarding the proposed project shall include a provision requiring that any future project applicants for subsequent residential development projects within the Buildout Area demonstrate the project's consistency with the measures set forth in Items 1 and 2 below that are applicable to such project prior to its approval to the satisfaction of the City of Cypress Planning Director. 1. **Construct or Improve Bike Facility (California Air Pollution Control Officers Association [CAPCOA] Handbook Strategy T-19-A):** This transportation demand management strategy requires the project to include a new bicycle facility or facilities or improve an existing facility that would connect the project to the existing regional bicycle network. The construction/improvement of bicycle facilities would provide residents with the opportunity to bike to their destination	During preparation of the Development Agreement	City of Cypress / Future Project Applicant(s)			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
rather than drive, reducing the number of vehicle trips and overall project-generated vehicle miles traveled (VMT). 2. **Provide Pedestrian Network Improvement (CAPCOA Handbook Strategy T-18):** This transportation demand management strategy requires the construction of off-site sidewalks to improve sidewalk coverage and pedestrian access to the surrounding area.					
4.18: Tribal Cultural Resources					
Mitigation Measure TCR-1: Tribal Cultural Resources Training and ALERT Sheet Posting. Prior to the start of any ground-disturbing activities, a qualified archaeologist meeting the Secretary of the Interior standards, in consultation with a representative from a traditionally and culturally affiliated Native American Tribe, under the direction of the City of Cypress Planning Division, shall prepare a Cultural Resources Sensitivity Summary. This summary shall include a brief description of the types of archaeological and tribal cultural resources that may be encountered, visual examples (if available), reporting procedures in the event of a discovery, and appropriate contact information. The summary shall be printed and posted in a visible location at the construction site for the duration of all ground-disturbing activities. An initial worker environmental training shall be provided by a qualified archaeologist in collaboration with a tribal representative prior to the start of construction, under the direction of the City of Cypress Planning Division. The training shall include a review of applicable laws, procedures to follow if resources are discovered, and cultural sensitivity guidance. A sign-in sheet shall be maintained to document attendance. As construction progresses, the construction manager shall be responsible for ensuring that all new personnel receive the same information through on-site orientation and review of the posted materials. Documentation of ongoing training shall be maintained and made available to the City upon request.	Prior to the start of any ground-disturbing activities	Future Project Applicant(s) / Qualified Archaeologist			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
Mitigation Measure TCR-2: Retain a Native American Monitor Prior to Commencement of Ground-Disturbing Activities. Prior to the issuance of any grading permits for projects within the Buildout Area that would require "ground-disturbing activity," where such disturbance activity would occur in undisturbed native sediment, a future project applicant/City shall retain a Native American Monitor from or approved by the Gabrieleño Band of Mission Indians – Kizh Nation (Tribe). "Ground-disturbing activity" shall include, but is not limited to, demolition, pavement removal, potholing, auguring, grubbing, tree removal, boring, grading, excavation, drilling, and trenching on both on-site and any off-site locations that are included in the Project Description/ definition and/or required in connection with the projects, such as public improvement work. A copy of the executed monitoring agreement shall be submitted to the Director of the City of Cypress Community Development Department, or their designee, prior to the earlier of the commencement of any ground-disturbing activity, or the issuance of any permit necessary to commence a ground-disturbing activity. The tribal monitor shall also provide appropriate insurance certificates. The monitor shall complete daily monitoring logs that will provide descriptions of the relevant ground-disturbing activities, the type of construction activities performed, locations of ground-disturbing activities, soil types, cultural-related materials, and any other facts, conditions, materials, or discoveries of significance to the Tribe. Monitor logs shall identify and describe any discovered tribal cultural resources (TCRs), including but not limited to, Native American cultural and historical artifacts, remains, places of significance, etc., (collectively, "TCRs"), as well as any discovered Native American (ancestral) human remains and burial goods. Copies of monitor logs shall be provided to the future project applicant/City upon written request to the Tribe. On-site tribal monitoring shall conclude upon the latter of the following (1) written confirmation to the Tribe from a designated	Prior to the issuance of any grading permits	Future Project Applicant(s) / Native American Monitor			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
point of contact for the future project applicant/City that all ground-disturbing activities and phases that may involve ground-disturbing activities in native (previously undisturbed) soil has occurred (i.e., no tribal monitoring shall be required for landscaping activities occurring after completion of project grading and trenching, as this soil will have been previously monitored) or in connection with the project are complete; or (2) a determination and written notification by the Tribe to the future project applicant/City that no future, planned construction activity and/or development/construction phase associated with the project possesses the potential to impact TCRs. Upon discovery of any TCRs, all construction activities in the immediate vicinity of the discovery shall cease (i.e., not less than the surrounding 50 feet) and shall not resume until the discovered TCR has been fully assessed by the Tribe's monitor and/or archaeologist. The Tribe will recover and retain all discovered TCRs in the form and/or manner the Tribe deems appropriate, in the Tribe's sole discretion, and for any purpose the Tribe deems appropriate, including for educational, cultural, and/or historic purposes.					
Mitigation Measure TCR-3: Unanticipated Discovery of Human Remains and Associated Funerary Objects. Native American human remains are defined in Public Resources Code (PRC) Section 5097.98 (d)(1) as an inhumation or cremation, and in any state of decomposition or skeletal completeness. Funerary objects, called associated grave goods in PRC Section 5097.98, are also to be treated according to this statute. If Native American human remains and/or grave goods are discovered or recognized during ground-disturbing activities associated with projects within the Buildout Area, then all construction activities shall immediately cease within 50 feet of the find. Health and Safety Code Section 7050.5 dictates that any discoveries of human skeletal material shall be immediately reported to the County Coroner and all ground-disturbing activities shall immediately halt and shall remain halted until the Coroner	During ground-disturbing activities	Construction Contractor / County Coroner / Most Likely Descendant			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
has determined the nature of the remains. If the Coroner recognizes the human remains to be those of a Native American or has reason to believe they are Native American, he or she shall contact, by telephone within 24 hours, the Native American Heritage Commission (NAHC), and PRC Section 5097.98 shall be followed. Human remains and grave/burial goods shall be treated alike per PRC Section 5097.98(d)(1) and (2). If Native American human remains are discovered or recognized on any construction sites within the Buildout Area during ground-disturbing activities and the NAHC subsequently identifies the Gabrieleño Band of Mission Indians – Kizh Nation (Tribe) to be the Most Likely Descendant (MLD), construction activities may resume in other parts of the construction site at a minimum of 200 feet away from discovered human remains and/or burial goods, if the Tribe determines in its sole discretion that resuming construction activities at that distance is acceptable and provides the project manager express consent of that determination (along with any other mitigation measures the Tribe's monitor and/or archaeologist deems necessary). (*State CEQA Guidelines* Section 15064.5(f).) Preservation in place (i.e., avoidance) is the Tribe's preferred manner of treatment for discovered human remains and/or burial goods. Any discovery of human remains/burial goods shall be kept confidential to the extent feasible to prevent further disturbance.					
Mitigation Measure TCR-4: Procedures for Burials and Funerary Remains. If Native American human remains are discovered or recognized on any construction sites within the Buildout Area during ground-disturbing activities and the Native American Heritage Commission subsequently identifies the Gabrieleño Band of Mission Indians – Kizh Nation (Tribe) to be the Most Likely Descendant ("MLD"), the Koo-nas-gna Burial Policy, as described below, shall be implemented. To the Tribe, the term "human	During ground-disturbing activities	Construction Contractor / Most Likely Descendant			

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
remains" encompasses more than human bones. In ancient as well as historic times, Tribal Traditions included, but were not limited to, the preparation of the soil for burial, the burial of funerary objects with the deceased, and the ceremonial burning of human remains. If the discovery of human remains includes four or more burials, the discovery location shall be treated as a cemetery and a separate treatment plan shall be created. The prepared soil and cremation soils are to be treated in the same manner as bone fragments that remain intact. Associated funerary objects are objects that, as part of the death rite or ceremony of a culture, are reasonably believed to have been placed with individual human remains either at the time of death or later; other items made exclusively for burial purposes or to contain human remains can also be considered as associated funerary objects. Cremations will either be removed in bulk or by means as necessary to ensure complete recovery of all sacred materials. In the case where discovered human remains cannot be fully documented and recovered on the same day, the remains will be covered with muslin cloth and a steel plate that can be moved by heavy equipment placed over the excavation opening to protect the remains. If this type of steel plate is not available, a 24-hour guard should be posted outside of working hours. The Tribe will make every effort to recommend diverting the project and keeping the remains in situ and protected. If the project cannot be diverted, it may be determined that burials will be removed. In the event preservation in place is not possible despite good faith efforts by the future project applicant/City and/or landowner, before ground-disturbing activities may resume on the project site, the landowner shall arrange a designated site location within the footprint of the project for the respectful reburial of the human remains and/or ceremonial objects. Each occurrence of human remains and associated funerary					

Table A: Mitigation Monitoring and Reporting Program

Mitigation Measures	Monitoring Milestone	Responsible Party	Verification of Compliance		
			Initials	Date	Remarks
objects will be stored using opaque cloth bags. All human remains, funerary objects, sacred objects and objects of cultural patrimony will be removed to a secure container on site if possible. These items should be retained and reburied within 6 months of recovery. The site of reburial/repatriation shall be on the project site but at a location agreed upon between the Tribe and the landowner at a site to be protected in perpetuity. There shall be no publicity regarding any cultural materials recovered. The Tribe will work closely with the project's qualified archaeologist to ensure that the excavation is treated carefully, ethically and respectfully. If data recovery is approved by the Tribe, documentation shall be prepared and shall include (at a minimum) detailed descriptive notes and sketches. All data recovery data recovery-related forms of documentation shall be approved in advance by the Tribe. If any data recovery is performed, once complete, a final report shall be submitted to the Tribe and the NAHC. The Tribe does not authorize any scientific study or the utilization of any invasive and/or destructive diagnostics on human remains.					

Table B: Regulatory Compliance Measures

Regulatory Compliance Measures	Monitoring Milestone	Responsible Party Responsible for Monitoring	Verification of Compliance		
			Initials	Date	Remarks
4.3: Air Quality					
Regulatory Compliance Measure AIR-1: During clearing, grading, earth moving, or excavation operations, excessive fugitive dust emissions shall be controlled by regular watering or other dust preventative measures by using the following procedures, in compliance with South Coast Air Quality Management District (SCAQMD) Rule 403 during construction. The applicable Rule 403 measures are as follows: • Apply nontoxic chemical soil stabilizers according to manufacturers' specifications to all inactive construction areas (previously graded areas inactive for 10 days or more). • Water active sites at least twice daily (locations where grading is to occur shall be thoroughly watered prior to earthmoving). • Cover all trucks hauling dirt, sand, soil, or other loose materials, or maintain at least 2 feet (0.6 meter) of freeboard (vertical space between the top of the load and the top of the trailer) in accordance with the requirements of California Vehicle Code Section 23114. • Pave construction access roads at least 100 feet (30 meters) onto the site from the main road. • Reduce traffic speeds on all unpaved roads to 15 miles per hour or less.	During clearing, grading, earth moving, or excavation operations	Construction Contractor			
Regulatory Compliance Measure AIR-2: All trucks that are to haul excavated or graded material shall comply with State Vehicle Code Section 23114, with special attention to Sections 23114(b)(F), (e)(2), and (e)(4) as amended, regarding the prevention of such material spilling onto public streets and roads.	During construction activities	Construction Contractor			
Regulatory Compliance Measure AIR-3: Prior to approval of future project plans and specifications, the City of Cypress shall confirm that the construction bid packages specify: • Contractors shall use high-volume low-pressure paint applicators with a minimum transfer efficiency of at least 50 percent; • Coatings and solvents that will be utilized have a volatile organic	Prior to approval of future project plans and specifications	City of Cypress / Future Project Applicant(s)			

Table B: Regulatory Compliance Measures

Regulatory Compliance Measures	Monitoring Milestone	Responsible Party Responsible for Monitoring	Verification of Compliance		
			Initials	Date	Remarks
compound content lower than required under SCAQMD Rule 1113; and • To the extent feasible, construction/building materials shall be composed of pre-painted materials.					
Regulatory Compliance Measure AIR-4: Future projects shall comply with SCAQMD Rule 402. Rule 402 prohibits the discharge of air contaminants or other material from any type of operations, which can cause nuisance or annoyance to any considerable number of people or to the public or which endangers the comfort or repose of any such persons, or the public.	During operation of future projects	Future Project Operators			
4.4: Biological Resources					
Regulatory Compliance Measure BIO-1: Preconstruction Bat Surveys. If construction activities for a specific development project within the Buildout Area, including structure demolition and tree removal, will occur during the bat maternity season (April 1 to August 31), then the City, or designee, shall confirm that the applicable developer has retained a qualified biologist who shall conduct a nighttime bat survey of potential maternity roost habitat no more than 30 days prior to the removal of potential habitat. These surveys shall be initiated no later than 30 minutes before sunset and continue for no less than 1 hour after sunset. If maternity roosts are found and the project would result in impacts to roosting bats, the biologist shall coordinate with CDFW to establish appropriate avoidance buffers around all maternity roost sites, and no construction work shall occur within the buffers until the completion of the maternity season. If deemed necessary through coordination with CDFW, additional measures could include two-step removal of any trees containing maternity roosts (outside of the maternity season), preparation of a Bat Habitat Mitigation and Monitoring Plan (BHMMP), and humane bat eviction/exclusion.	30 days prior to the initiation of construction activities if construction will occur during the bat maternity season (April 1 to August 31)	Future Project Applicant(s) / Qualified Biologist			
Regulatory Compliance Measure BIO-2: Preconstruction Nesting Bird Surveys and Active Nest Avoidance Buffers. If potential bird nesting habitat is to be removed from a portion of the Buildout Area in connection with a specific development project during the avian nesting season (January 1 through August 31), including structures, trees, shrubs and suitable ground-nesting areas, a qualified biologist	Within 3 days prior to the potential removal of suitable nesting habitat, if	Future Project Applicant(s) / Qualified Biologist			

Table B: Regulatory Compliance Measures

Regulatory Compliance Measures	Monitoring Milestone	Responsible Party Responsible for Monitoring	Verification of Compliance		
			Initials	Date	Remarks
shall conduct a nesting bird survey in such portion of the Buildout Area within 3 days prior to the commencement of structure demolition, vegetation removal, or other construction activities that could remove suitable nesting habitat. If no nesting birds are identified, no additional survey is required. If at any time an active nest is identified, the biologist shall establish suitable buffers around the nests that consider the ecology of the species present and the location of construction activities to ensure that disruption of nesting does not occur. The buffer areas shall be avoided until the nests are no longer occupied and the juvenile birds can survive independently from the nests.	construction will occur during the avian nesting season (January 1 through August 31)				
4.5: Cultural Resources					
Regulatory Compliance Measure CUL-1: Unknown Archaeological Resources. In the event that archaeological resources are discovered during excavation, grading, or construction activities, work shall cease within 50 feet of the find until a qualified archaeologist from the Orange County List of Qualified Archaeologists has evaluated the find in accordance with federal, State, and local guidelines to determine whether the find constitutes a "unique archaeological resource," as defined in Section 21083.2(g) of the California Public Resources Code (PRC). A future project applicant and its construction contractor shall not collect or move any archaeological materials and associated materials. Construction activity may continue unimpeded on other portions of the project site. Any found deposits shall be treated in accordance with federal, State and local guidelines, including those set forth in PRC Section 21083.2. Prior to commencement of grading activities, the Director of the City of Cypress (City) Community Development Department, or designee, shall verify that all project grading and construction plans include specific requirements regarding California PRC (Section 21083.2[g]) and the treatment of archaeological resources as specified above.	During excavation, grading, or construction activities	Construction Contractor / Qualified Archaeologist from the Orange County List of Qualified Archaeologists			

Table B: Regulatory Compliance Measures

Regulatory Compliance Measures	Monitoring Milestone	Responsible Party Responsible for Monitoring	Verification of Compliance		
			Initials	Date	Remarks
Regulatory Compliance Measure CUL-2: Human Remains. In the event that human remains are encountered on the project site, work within 50 feet of the discovery shall be redirected and the County Coroner notified immediately consistent with the requirements of California Code of Regulations (CCR) Section 15064.5(e). State Health and Safety Code Section 7050.5 states that no further disturbance shall occur until the County Coroner has made a determination of origin and disposition pursuant to PRC Section 5097.98. If the remains are determined to be Native American, the County Coroner shall notify the Native American Heritage Commission (NAHC), which shall determine and notify a Most Likely Descendant (MLD). With the permission of the property owner, the MLD may inspect the site of the discovery. The MLD shall complete the inspection within 48 hours of notification by the NAHC. The MLD may recommend scientific removal and non-destructive analysis of human remains and items associated with Native American burials. Consistent with CCR Section 15064.5(d), if the remains are determined to be Native American and an MLD is notified, the City of Cypress shall consult with the MLD as identified by the NAHC to develop an agreement for treatment and disposition of the remains. Prior to the issuance of grading permits, the Director of the City of Cypress Community Development Department, or designee, shall verify that all grading plans specify the requirements of CCR Section 15064.5(e), State Health and Safety Code Section 7050.5, and PRC Section 5097.98, as stated above.	During construction activities	Construction Contractor / County Coroner / Most Likely Descendant			
4.6: Energy					
The proposed project would not require any regulatory compliance measures related to energy.					
4.7: Geology and Soils					
The proposed project would not require any regulatory compliance measures related to geology and soils.					
4.8: Greenhouse Gas Emissions					
The proposed project would not require any regulatory compliance measures related to greenhouse gas emissions.					

Table B: Regulatory Compliance Measures

Regulatory Compliance Measures	Monitoring Milestone	Responsible Party Responsible for Monitoring	Verification of Compliance		
			Initials	Date	Remarks
4.9: Hazards and Hazardous Materials					
Regulatory Compliance Measure HAZ-1: Federal Aviation Regulation Title 14 Part 77. A future project applicant/developer shall notify the Federal Aviation Administration (FAA) of any proposed structure(s) that would penetrate the 100 to 1 imaginary surface that surrounds the runway at Joint Forces Training Base Los Alamitos at least 45 days prior to beginning construction.	At least 45 days prior to beginning construction of a structure that would penetrate the 100 to 1 imaginary surface that surrounds the runway at Joint Forces Training Base Los Alamitos	Future Project Applicant(s) / Developer			
4.10: Hydrology and Water Quality					
Regulatory Compliance Measure HYD-1: Construction General Permit. If construction of future projects associated with the proposed project would disturb greater than 1 acre of soil, prior to commencement of construction activities within the proposed Buildout Area, the Construction Contractor shall obtain coverage under the National Pollutant Discharge Elimination System (NPDES) *General Permit for Stormwater Discharges Associated with Construction and Land Disturbance Activities*, Order WQ 2022-0057-DWQ, NPDES No. CAS000002 (Construction General Permit), or any other subsequent permit. This shall include submission of Permit Registration Documents, including permit application fees, a Notice of Intent (NOI), a risk assessment, a site plan, a Stormwater Pollution Prevent Plan (SWPPP), a signed certification statement, and any other compliance-related documents required by the permit, to the State Water Resources Control Board via the Stormwater Multiple Application and Report Tracking System (SMARTS). Construction activities shall not commence until a Waste Discharge Identification Number is obtained for the project from the SMARTS and provided to the Director of Public Works for the City of Cypress, or designee, to	Prior to commencement of construction activities	Construction Contractor			

Table B: Regulatory Compliance Measures

Regulatory Compliance Measures	Monitoring Milestone	Responsible Party Responsible for Monitoring	Verification of Compliance		
			Initials	Date	Remarks
demonstrate that coverage under the Construction General Permit has been obtained. Project construction shall comply with all applicable requirements specified in the Construction General Permit, including but not limited to, preparation of a SWPPP and implementation of construction site best management practices (BMPs) to address all construction-related activities, equipment, and materials that have the potential to impact water quality for the appropriate risk level identified for the project. The SWPPP shall identify the sources of pollutants that may affect the quality of storm water and shall include BMPs (e.g., Sediment Control, Erosion Control, and Good Housekeeping BMPs) to control the pollutants in storm water runoff. Upon completion of construction activities and stabilization of the Buildout Area, a Notice of Termination (NOT) shall be submitted via SMARTS. If construction of future projects associated with the proposed project would disturb less than 1 acre of soil, prior to commencement of construction activities within the Buildout Area, the Construction Contractor shall provide evidence that project construction would comply with Section 4.106 of the 2019 California Green Building Standards Code (CALGreen Code). Section 4.106 of the CALGreen Code requires implementation of BMPs to prevent flooding and erosion and to retain sediment on site (e.g., Sediment Control, Erosion Control, and Good Housekeeping BMPs).					
Regulatory Compliance Measure HYD-2: Construction Dewatering Permit. If groundwater dewatering is required during excavation activities, the Applicant/City shall obtain coverage under the *General Waste Discharge Requirements for Discharges to Surface Waters that Pose an Insignificant (De Minimis) Threat to Water Quality*, Order No. R8-2020-0006, NPDES No. CAG998001 (Construction Dewatering Permit). This shall include submission of a Notice of Intent (NOI) for coverage under the permit to the Santa Ana Regional Water Quality Control Board (RWQCB) at least 45 days prior to the start of dewatering. Groundwater dewatering activities shall comply with all applicable provisions in the permit, including water sampling, analysis,	During excavation activities	Construction Contractor			

Table B: Regulatory Compliance Measures

Regulatory Compliance Measures	Monitoring Milestone	Responsible Party Responsible for Monitoring	Verification of Compliance		
			Initials	Date	Remarks
treatment (if required), and reporting of dewatering-related discharges. Upon completion of groundwater dewatering activities, a Notice of Termination shall be submitted to the Santa Ana RWQCB.					
Regulatory Compliance Measure HYD-3: Orange County MS4 Permit/City Municipal Code. Prior to issuance of a grading permit for future projects associated with the proposed project, the future project Applicant shall prepare and submit a final project-specific water quality management plan (WQMP) to specify BMPs that would be implemented to capture, treat, and reduce pollutants of concern in stormwater runoff in compliance with the Waste Discharge Requirements for the County of Orange, Orange County Flood Control District and the Incorporated Cities of Orange County within the Santa Ana Region Areawide Urban Storm Water Runoff Orange County, Order R8-2009-0030, NPDES No. CAS618030, as amended by Order No. R8-2010-0062 (Orange County MS4 Permit), Orange County Drainage Area Management Plan (DAMP), and the City of Cypress Local Implementation Plan (LIP). The WQMP shall also incorporate the results of the Final Hydrology and Hydraulic Analyses to demonstrate that the bioretention facilities meet the hydromodification requirements of the Orange County MS4 Permit and Chapter 13-23 of the Cypress Municipal Code. The City Engineer/Public Works Director, or designee, shall ensure that the BMPs specified in the WQMP are incorporated into the final project design of future projects associated with the proposed project.	Prior to issuance of a grading permit for future projects	Future Project Applicant(s)			
4.11: Land Use and Planning					
The proposed project would not require any regulatory compliance measures related to land use and planning.					
4.12: Mineral Resources					
The proposed project would not require any regulatory compliance measures related to mineral resources.					
4.13: Noise					
Regulatory Compliance Measure NOI-1: The construction contractor shall limit all construction-related activities to between the hours 7:00 a.m. and 8:00 p.m. on weekdays and between the hours of 9:00 a.m. and 8:00 p.m. on Saturdays. No construction shall be permitted outside of these hours or on Sundays or a federal holiday with the exception of certain construction activities that are time sensitive and	During construction activities	Construction Contractor			

Table B: Regulatory Compliance Measures

Regulatory Compliance Measures	Monitoring Milestone	Responsible Party Responsible for Monitoring	Verification of Compliance		
			Initials	Date	Remarks
require a 24-hour rotation. In those situations, a temporary use permit can be obtained from the City of Cypress' Community Development Director.					
Regulatory Compliance Measure NOI-2: Mechanical equipment, including air conditioning units in residential and non-residential zoning districts, shall be enclosed within a structure or completely screened from view from surrounding properties by the use of a fence or wall consistent with Section 3.11.100(b) of the City of Cypress Municipal Code. Additionally, prior to the issuance of building permits, a future applicant/developer shall demonstrate, to the satisfaction of the City Director of Community Development, or designee, that on-site stationary noise sources, such as air conditioners, shall not exceed City noise standards as stated within the City's Municipal Code Sections 13-68 and 13-69.	Prior to the issuance of any building permit	City of Cypress / Future Project Applicant(s)			
4.14: Population and Housing					
The proposed project would not require any regulatory compliance measures related to population and housing.					
4.15: Public Services					
Regulatory Compliance Measure PS-1: Any future projects implemented within the Buildout Area in accordance with the City of Cypress (City) Cypress Town Center and Commons Specific Plan 3.0 (Specific Plan) would be required to coordinate with the Orange County Fire Authority (OCFA) to determine the appropriate development impact fees required to offset potential impact to OCFA staffing and service ability. Prior to the approval of such projects, the designated site developer shall enter into a Secured Fire Protection Agreement with OCFA that details the agreed-upon development impact fees required for the project.	Prior to the approval of any future project	Future Project Applicant(s)			
Regulatory Compliance Measure PS-2: Payment of School Fees. Prior to issuance of any building permits within the Buildout Area in accordance with the Specific Plan, the applicant/developer of future development projects facilitated by the proposed project shall provide proof to the Director of the City of Cypress Community Development Department, or designee, that payment of school fees to the appropriate school districts have been made in compliance with Section 65995 of the California Government Code.	Prior to issuance of any building permits	Future Project Applicant(s) / Developer			

Table B: Regulatory Compliance Measures

Regulatory Compliance Measures	Monitoring Milestone	Responsible Party Responsible for Monitoring	Verification of Compliance		
			Initials	Date	Remarks
Regulatory Compliance Measure PS-3: Dedication of Parkland and/or Payment of Park Fees. Prior to issuance of any building permits within the Buildout Area in accordance with the Cypress Town Center and Commons Specific Plan 3.0 (Specific Plan), a future applicant/developer shall provide proof of compliance with the applicable provisions of Chapter 25 (Subdivisions), Article VI, Park and Recreational Facilities, of the City of Cypress Municipal Code.	Prior to issuance of any building permits	Future Project Applicant(s)			
4.17: Transportation					
The proposed project would not require any regulatory compliance measures related to transportation.					
4.18: Tribal Cultural Resources					
The proposed project would not require regulatory compliance measures unique to tribal cultural resources. Please see RCMs CUL-1 and CUL-2 for relevant measures in Section 4.5 above.					
4.19: Utilities and Service Systems					
Regulatory Compliance Measure UTIL-1: Construction and Demolition Ordinance. The construction contractor shall comply with the provisions of City of Cypress Ordinance No. 1166 and the 2022 California Green Building Standards Code, which would reduce construction and demolition waste. Ordinance No. 1166 is codified in Article VIII, Materials Questionnaire for Certain Construction and Demolition Projects within the City of Cypress in the Cypress Municipal Code.	During construction activities	Construction Contractor			
4.20: Wildfire					
The proposed project would not require any regulatory compliance measures related to wildfire.					

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EXHIBIT D

Required Improvements and Other Public Benefits[1],[2],[3]

	Improvements	Responsible Party	Timing
1.	Ball Road at Moody Street (in accordance with City standards and the Traffic Study): • Add additional mast arm indications for the northbound and southbound approaches.	Property Owner or a Transferee	Complete improvements prior to the issuance of any certificate of occupancy (excluding Lot 14).
2.	Ball Road at Walker Street (in accordance with City standards and the Traffic Study): • Restripe the EB/WB approaches to provide one left-turn lane, two through lanes, and one dedicated right-turn lane. • Shift the westbound exit lanes north.	Property Owner or a Transferee	Complete improvements prior to the issuance of any certificate of occupancy for Project improvements (excluding Lot 14).
3.	Cerritos Avenue at Moody Street (in accordance with City Standards and the Traffic Study): • Widen and restripe EB approach to provide one exclusive right-turn lane. • Restripe SB approach to provide 2 lefts, 1 through, and 1 shared through/right lane.	Property Owner or a Transferee	Submit construction plans prior to issuance of any building permits for Project improvements (excluding Lots 2 and 14) and complete improvements prior to the issuance of any certificate of occupancy for Project. improvements (excluding Lots 2 and 14).

[1] Prior to the commencement of construction of any specific development project within the Project, the developer of that project, whether Property Owner or a Transferee, shall prepare and submit a transportation construction plan (TCP) to the City's Public Works Department for review and approval. The TCP shall be prepared, signed, and stamped by a California-registered civil or traffic engineer and shall be consistent with all applicable engineering standards and safety procedures, including those set forth in the California Manual on Uniform Traffic Control Devices (CA MUTCD) and the Caltrans Standard Specifications (Section 12 – Temporary Traffic Control).

[2] Any improvements not complete at time of Final Map recordation shall require agreements and improvement securities (e.g. subdivision improvement agreements) in accordance with Section 3.3.1 to ensure such improvements are completed prior to the issuance of any certificate of occupancy (excluding Lot 14).

[3] For the purposes of this Exhibit D, the term "Property Owner or a Transferee" shall mean Property Owner and/or any Transferee(s) with rights/obligations over the specific portion of Property or improvements indicated, as applicable.

	Improvements	Responsible Party	Timing
	• NB approach to provide 2 lefts, 1 through, and 1 shared/through right lane. • Modify traffic signal to provide protected phasing for the NB/SB approaches. • Construct a crosswalk on the east leg of the intersection. • Construct bike lanes on Moody Street.		
4.	Cerritos Avenue at Valley View Street (in accordance with City standards and the Traffic Study): • Modify traffic signal to provide NB right-turn and SB right-turn overlap phasing. • Modify striping to extend EB left-turn pocket storage.	Property Owner or a Transferee	Complete improvements prior to the issuance of any certificate of occupancy for Project improvements (excluding Lot 14).
5.	Vessels Circle at Walker Street (in accordance with City Standards and the Traffic Study): • Add EB right-turn overlap phasing. • Modify striping to extend NB and EB left-turn pocket storage. • Widen Vessels Circle by 10 feet on the south side. • Widen the westbound receiving lane • Modify traffic signal in conjunction with Vessels Circle widening.	Property Owner or a Transferee	Submit construction plans prior to issuance of any building permits for Project improvements (excluding Lots 2 and 14) and complete improvements prior to issuance of any certificate of occupancy for Project improvements (excluding Lots 2 and 14).
6.	Vessels Circle at Moody Street (in accordance with City standards and the Traffic Study): • Install traffic signal. • Modify NB approach to provide 1 left, 2 throughs, 1 right.	Property Owner or a Transferee	Submit construction plans prior to issuance of any building permits for Project improvements (excluding Lots 2 and 14) and complete improvements prior to issuance of any certificate of occupancy for

	Improvements	Responsible Party	Timing
	• Modify SB approach to provide 1 left, 1 through, 1 through/right. • Modify WB approach to provide 1 left, 1 through, 1 right. • Modify EB approach to provide 1 left, 1 through/right. • Provide bike facilities on both Moody Street and Vessels Circle.		Project improvements (excluding Lots 2 and 14)
7.	Complete and render operational stormwater detention basin and pump station consistent with the Master Plan of Drainage and City standards on Lot 8 or at another location approved by the City.	Property Owner or a Transferee	Prior to the demolition of storm drainage features and improvements on the Property that currently accommodate drainage from Lot 9 of VTTM 19247.
8.	Design, prepare and obtain approval for construction plans and thereafter construct and render operational the Lots 5/6 Detention Basin and the Pump Station consistent with the Master Plan of Drainage and City standards for public facilities. The Lots 5/6 Detention Basin shall be privately owned, operated and maintained. The Pump Station shall be City owned, maintained and operated. The Pump Station Assessment District will fund the maintenance, operation, repair and future replacements of the Pump Station. Grant easement(s) to the City for the use, access, operation and maintenance of the Pump Station.	Property Owner or a Transferee	Prior to issuance of any certificate of occupancy for any Project improvements on Lots 3, 4 or 7 or the extended portion of Moody Street, provided that the completion of this work prior to the completion of the Moody Street extension shall not be required if the City approves, and Property Owner or a Transferee constructs, a temporary detention basin in accordance with City standards and approved by the City that prevents flooding of the Moody Street extension.
9.	Complete Moody Street and Vessels Circle street	Property Owner and/or a Transferee	Prior to issuance of any certificate of occupancy for

	Improvements	Responsible Party	Timing
	improvements in accordance with and consistent with VTTM 19247, the Traffic Study, and City standards: • Pavement, sidewalk, curb and gutter. • Widen Vessels Circle to the 62-foot-wide right-of-way. • Sewer and storm drain. • Striping, signage, bike facilities and traffic control devices. • Landscaped parkway, medians, street trees, irrigation. • Street lighting. • Water quality treatment devices.		Project improvements (excluding Lots 2 and 14).
10.	Complete Lexington Drive Street widening per City standards (from Cerritos Ave to south property line of Lot 2): • Pavement, sidewalk, curb and gutter. • Landscaped parkway, street trees and irrigation. • Storm drain. • Street lighting. • Striping, signage and traffic control devices. • Utility relocations (by others). • Obtain any and all necessary permits from the City of Los Alamitos – see Item 20.	Property Owner or a Transferee	Prior to issuance of any certificate of occupancy for Project improvements on Lot 2.

	Improvements	Responsible Party	Timing
11.	Design and construct trails/greenways and/ or walkways connecting Lots 2, 3, and 4 to provide pedestrian and bicycle access to the Moody Street extension. Design and construct trails/greenways, walkways and/or a bike lane or path(s) to provide pedestrian and bicycle access to Lexington Park. The pathway(s) shall provide a continuous route for pedestrians and bicyclists and may include: a. Trails, greenways, and/or shared-use paths through Lots 2, 3, and 4; and/or b. An on-street bicycle lane along Lexington Drive adjacent to Lot 2; and/or c. A bicycle path or shared-use path adjacent to the sidewalk along Lexington Drive adjacent to Lot 2; and/or d. A combination of these pathways. The precise alignment, configuration, and combination of pathways shall be established by the City Council in connection with its consideration of the applicable future development applications, based on site conditions and feasibility, provided that (1) the resulting pathway(s) achieves the pedestrian and/or bicycle connectivity contemplated by this Item, (2) in no event shall Property Owner or a Transferee be required to construct or alter	Property Owner or a Transferee	Plans for the trails/greenways, and or walkways and/or bicycle pathways shall be included with the site plan review submittals for Lots 2, 3 and 4 or portions thereof. Construction of the improvements shall be completed with respect to each such Lot or portion thereof prior to issuance of any certificate of occupancy for Project improvements on such Lot. Property Owner and/or Transferee(s) of Lots 2, 3 and 4 or portions thereof shall coordinate, to the extent feasible, the design, alignment, and construction of the trails/greenways, walkways and/or a bike lane or path(s) to ensure continuous, functional connections across lot boundaries between Lexington Park and the Moody Street extension to the satisfaction of the City.

	Improvements	Responsible Party	Timing
	any improvements or pathways within Lexington Park and (3) neither Property Owner nor a Transferee shall be required to dedicate any land for the widening of Lexington Drive beyond that required in Item 13, below. Reciprocal access agreements, or other instrument acceptable to the City, shall provide and maintain public access for private bike paths/facilities.		
12.	Construct park improvements for Lots 5/6 Park and receive final acceptance from the City pursuant to Section 6.4 of this Agreement.	Property Owner or a Transferee	Prior to issuance of any certificate of occupancy for any Project improvements on Lots 3, 4 or 7.

Other Action Items

	Action	Responsible Party	Timing
13.	Provide, in a form acceptable to the City, irrevocable offers to dedicate Moody Street and Vessels Circle extensions, and land for widening of Lexington Drive.	Property Owner	With respect to the portion of Moody Street that will be extended in connection with the development of Lot 14, include an offer to dedicate with the final map that corresponds with Tentative Tract Map No. 19413 ("**TTM 19413**"). With respect to the balance of this requirement, include offers to dedicate in the "A"

	Action	Responsible Party	Timing
			final map for VTTM 19247.
14.	With respect only to the proposed project on Lot 14, grant easements, in a form acceptable to the City, for sewer and storm drain utilities on Moody Street prior to acceptance of street dedications. Property Owner or the applicable Transferee shall maintain and operate all public utilities until improvements are accepted by the City and the easements have been recorded.	Property Owner or a Transferee	Prior to issuance of any certificate of occupancy for Project improvements on Lot 14.
15.	Establish a new maintenance agreement, amend the existing maintenance agreement, or otherwise provide documentation acceptable to the City confirming that the existing maintenance obligations under the Grant of Easements and Maintenance Agreement recorded on March 10, 2022 as Instrument No. 2022000094489 in the Official Records will remain in effect for the maintenance of the Moody Street frontage along 5155 and 5233 Katella Avenue and ensuring the continuing maintenance obligation with Shea after the City's acceptance of the public roadway dedication.	Property Owner	Within 90 days after recordation of the final map and prior to City's acceptance of the Moody Street dedication.
16.	Establish Maintenance Covenant(s) in accordance with Section 6.3 of this Agreement.	Property Owner or a Transferee	See Section 6.3 of this Agreement.

	Action	Responsible Party	Timing
17.	Apply for the formation of a Pump Station Assessment District to fund the maintenance, operation, repair and future replacements of the Pump Station on Lots 5/6 in VTTM 19247.	Property Owner	Within 90 days after recordation of the final map.
18.	Provide the Easement Termination to the City in accordance with Section 6.6 of this Agreement.	Property Owner	Within 90 days, or as other mutually agreed upon timeframe, after the full closure of Los Alamitos Race Course.
19.	Property Owner and Cottonwood Christian Center, Inc. or its successor in interest shall execute and record an amendment to that certain Easement Agreement recorded on January 7, 2007 as Instrument No. 2007000031992 in the Official Records, to clarify that the "Easement" granted therein by Cottonwood in favor of Property Owner includes the right to discharge stormwater from Lots 3 and 4 of VTTM 19247 into the private "Improvements" on Cottonwood's property (*i.e.*, a 48" private storm drain), in a form acceptable to the City.	Property Owner	Prior to the issuance of any construction permits for any Project improvements on Lot 3 or 4.
20.	Obtain approval from the City of Los Alamitos for the proposed storm drain connection at Lexington Drive for Lot 2.	Property Owner or a Transferee	Prior to the earlier of (a) the issuance of any permits for Project improvements on or for Lot 2 or (b) the recordation of a "B" final map for Lot 2.
21.	For Lot 14, provide an irrevocable offer to dedicate Moody Street frontage, 14' wide, in a form acceptable to the City.	Property Owner or a Transferee	At the time of recordation of a "B" final map for Lot 14 with respect to TTM 19413.

	Action	Responsible Party	Timing
22.	Comply with Final EIR Mitigation Measures	Property Owner or a Transferee	As described in the MMRP.
23.	Provide to the City an inventory of the existing trees on the Property (other than on Lot 14) that will be replaced at a 1:1 ratio in accordance with the Specific Plan, it being understood that the replacement trees may be located anywhere on the Property.	Property Owner	Prior to demolition of the LARC improvements (other than improvements on Lot 14).
24.	Property Owner and Grace Church shall execute and record an amendment to that certain Declaration of Drainage Easement recorded on November 12, 2010 as Instrument No. 2010000604617 in the Official Records, to clarify that (1) the stormwater drainage for Lots 8 and 9 of VTTM 19247 will no longer flow to the Property, (2) Property Owner or a Transferee will construct a new detention basin/pump station for that purpose on Lot 8 or another location approved by the City and (3) Grace Church shall be responsible for the operation and maintenance of such drainage improvements.	Property Owner	Prior to the demolition of storm drainage features and improvements on the Property that currently accommodate drainage from Lot 9 of VTTM 19247 to the Property, and issuance of any permits for the construction of the new detention basin/pump station.
25.	Either (a) pay the Deferred Amount to the City with respect Lots 2, 3, 4, 7, 10, 11, 12, 13 and 14 or (b) transfer fee title to Lot 1 in VTTM 19247 to the City in accordance with Section 5.2 of this Agreement.	Property Owner	See Section 5.2 of this Agreement.

	Action	Responsible Party	Timing
26.	Identify the location of the Floating Park Space.	Property Owner or a Transferee	Pursuant to Section 6.9 of this Agreement.
27.	Complete merger of Lots 5/6 of VTTM 19247.	Property Owner or a Transferee	Pursuant to Section 6.7 of this Agreement.
28.	Complete merger or lot tie of Lots 8 and 9.	Property Owner or a Transferee	Pursuant to Section 6.8 of this Agreement.

EXHIBIT E

Current Development Impact Fee Schedule

Community Development
Park Development Fee: $23,421 per unit subject to the Quimby Act

Public Works

Citywide Traffic Improvement Fees

	Commercial - Retail	
193	Shopping Center - Less than 50,000 SF	$1.81 per SF - Includes 50% Passby Credit
194	Shopping Center - 100,000 SF	$1.67 per SF - Includes 40% Passby Credit
195	Shopping Center - 200,000 SF	$1.54 per SF - Includes 30% Passby Credit
196	Shopping Center - 300,000 SF	$1.40 per SF - Includes 25% Passby Credit
197	Restaurant - Fast Food w/ Drive-Through	$18.81 per SF - Includes 40% Passby Credit
198	Restaurant - Fast Food w/o Drive-Through	$16.43 per SF - Includes 40% Passby Credit
199	Restaurant - High Turnover (Family)	$8.18 per SF - Includes 25% Passby Credit
200	Restaurant - Quality (Dinner House)	$2.62 per SF - Includes 10% Passby Credit
201	Hotel	$409 per Room
202	Motel	$409 per Room
203	Discount Store (Freestanding)	$1.35 per SF
204	Hardware/ Paint Store	$2.03 per SF
205	New Car Sales	$1.56 per SF
	Residential	
206	Single Family (Low Density)	$595 per DU
207	Low Rise Condo/ Townhome (Medium Density)	$508 per DU
208	Low Rise Apartment (High Density)	$358 per DU
209	Retirement Community	$154 per DU
210	Elderly Housing (Attached)	$44 per DU
	Office - Industrial	
211	General Office - Less than 50,000 SF	$1.52 per SF
212	General Office - 100,000 SF	$1.28 per SF
213	General Office - 200,000 SF	$1.09 per SF
214	General Office - 400,000 SF	$0.92 per SF
215	General Office - 600,000 SF	$0.84 per SF
216	General Office - 800,000 SF or greater	$0.78 per SF
217	Single Tenant/ Corporate Office	$1.20 per SF
218	Research & Development	$0.79 per SF
219	Warehouse	$0.44 per SF
220	Light Industrial	$0.65 per SF
221	Manufacturing	$0.52 per SF

Regional Traffic Improvement Fees

	Commercial - Retail	
222	Shopping Center - Less than 50,000 SF	$0.16 per SF - Includes 50% Passby Credit
223	Shopping Center - 100,000 SF	$0.15 per SF - Includes 40% Passby Credit
224	Shopping Center - 200,000 SF	$0.13 per SF - Includes 30% Passby Credit
225	Shopping Center - 300,000 SF	$0.12 per SF - Includes 25% Passby Credit
226	Restaurant - Fast Food w/ Drive-Through	$1.64 per SF - Includes 40% Passby Credit
227	Restaurant - Fast Food w/o Drive-Through	$1.43 per SF - Includes 40% Passby Credit
228	Restaurant - High Turnover (Family)	$0.71 per SF - Includes 25% Passby Credit
229	Restaurant - Quality (Dinner House)	$0.22 per SF - Includes 10% Passby Credit
230	Hotel	$36 per Room
231	Motel	$36 per Room
232	Discount Store (Freestanding)	$0.12 per SF
233	Hardware/ Paint Store	$0.18 per SF
234	New Car Sales	$0.14 per SF
	Residential	
235	Single Family (Low Density)	$52 per DU
236	Low Rise Condo/ Townhome (Medium Density)	$44 per DU
237	Low Rise Apartment (High Density)	$31 per DU
238	Retirement Community	$13.46 per DU
239	Elderly Housing (Attached)	$3.85 per DU
	Office - Industrial	
240	General Office - Less than 50,000 SF	$0.13 per SF
241	General Office - 100,000 SF	$0.11 per SF
242	General Office - 200,000 SF	$0.10 per SF
243	General Office - 400,000 SF	$0.08 per SF
244	General Office - 600,000 SF	$0.07 per SF
245	General Office - 800,000 SF or greater	$0.06 per SF
246	Single Tenant/ Corporate Office	$0.11 per SF
247	Research & Development	$0.07 per SF
248	Warehouse	$0.04 per SF
249	Light Industrial	$0.06 per SF
250	Manufacturing	$0.05 per SF

EXHIBIT F

Deferred Park Fee Repayment Schedule

Lot Number	Max. Number of Permitted Units	Ratio of Development	Required Park Supplement*
2	404	23%	$225,986
3	269	15%	$150,471
4	141	8%	$78,871
7	309	17%	$172,846
10	29	2%	$16,222
11	51	3%	$28,528
12	257	14%	$143,759
13	200	11%	$111,874
14	131	7%	$73,278
TOTAL	**1791**	**100%**	**$1,001,835**

* The Required Park Supplement amounts for shall be paid to the City prior to the recordation of a final map for the corresponding lot. For example, $225,986 shall be paid to the City prior to the recordation of the final map for Lot Number 2.

<u>EXHIBIT G</u>

Form of Certificate of Compliance

[See Following 3 Pages]

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:
City of Cypress
5275 Orange Avenue
Cypress, CA 90630
Attn: City Manager

EXEMPT FROM RECORDING FEES PER GOVERNMENT CODE §§6103, 27383

Space above this line for recorder's use

CERTIFICATE OF COMPLIANCE OF
DEVELOPMENT AGREEMENT OBLIGATIONS

This Certificate Of Compliance of Development Agreement Obligations ("**Certificate**"), dated as of ________________________, is executed by the CITY OF CYPRESS, a charter city and municipal corporation ("**City**"), in favor of ________________________________, a __________________________ ("/////**Property Owner**/////**Developer**/////"), a current party to that certain Development Agreement dated as of September ___, 2026, by and among City, on the one hand, and LOS ALAMITOS RACE COURSE, a California general partnership ("LARC"), and CYPRESS GC, LLC, a California limited liability (collectively, "Property Owner"), on the other hand, and recorded on _____________, 2026 as Instrument No. __________________ in the Official Records of Orange County, California (as the same may have been amended or supplemented from time to time, the "**Development Agreement**"), with reference to the following facts and circumstances:

RECITALS

A. The Development Agreement relates to the property described in Exhibit A thereto and depicted on Exhibit B thereto (the "**Development Agreement Property**"). This Certificate relates to a portion or portions of the Development Agreement Property legally described in Attachment 1 attached hereto and incorporated herein by this reference. Capitalized terms used herein without definition shall have the meanings ascribed to them in the Development Agreement.

B. Pursuant to Section 4.3 of the Development Agreement, City is required to furnish to Property Owner and/or any applicable Transferee(s), in a form suitable for recordation, a certificate of compliance, substantially in the form of this Certificate, upon completion of an annual or special review pursuant to Section 4 of the Development Agreement if the applicable City decision-making body has determined that the Property Owner and/or any applicable Transferee(s) is in good-faith compliance with the applicable provisions of the Development Agreement.

C. /////Property Owner/////Developer///// has requested that the City execute and acknowledge this Certificate with respect to a __________ review that the _______________ completed on ________________ (the "**Review**").

NOW, THEREFORE, City hereby certifies that, based on the Review, as follows:

1. /////Property Owner/////Developer///// is in good-faith compliance with the provisions of the Development Agreement.

2. The Development Agreement remains in full force and effect.

3. Nothing contained in this Certificate shall be deemed or construed to modify any provisions of the Development Agreement.

IN WITNESS WHEREOF, City has executed and issued this Certificate as of the date first above written.

"City":

CITY OF CYPRESS, a charter city and municipal corporation

By: ____________________________________

Name: ____________________________________

Title: ____________________________________

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On ____________________, before me, ____________________________, a Notary Public, personally appeared ________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ________________________________

EXHIBIT H

Form of Easement Termination

(See Following 6 Pages)

RECORDING REQUESTED BY, AND
WHEN RECORDED RETURN TO:

Sheppard, Mullin, Richter & Hampton LLP
350 S. Grand Avenue, 43th Floor
Los Angeles, California 90071-3460
Attention: Jack H. Rubens, Esq.

SPACE ABOVE THIS LINE FOR RECORDER'S USE

TERMINATION OF EASEMENT AGREEMENT

This Termination of Easement Agreement ("Agreement"), dated as of ________________, 20__, is executed by and between the CYPRESS RECREATION & PARK DISTRICT, a California special district (the "District"), on the one hand, and LOS ALAMITOS RACE COURSE, a California general partnership, and CYPRESS GC, LLC, a California limited liability company (collectively, "Property Owner"), on the other hand, with reference to the following facts:

RECITALS

A. The District and Property Owner are parties to that certain Easement Agreement (the "Easement Agreement") dated as of May 23, 2018, and recorded on March 31, 2018 as Document No. 2018000198493 in the Official Records of Orange County, California"), pursuant to which the District granted to Property Owner a non-exclusive easement for pedestrian, equestrian and vehicular ingress and egress over a portion of its property that was subsequently improved with Lexington Park.

B. The District and Property Owner desire to terminate the Easement Agreement on the terms set forth below.

NOW, THEREFORE, the District and Property Owner hereby agree as follows:

AGREEMENT

1. Termination of Agreement. The Easement Agreement is hereby terminated and has no further force or effect.

2. Further Assurances. The District and Property Owner shall each execute and deliver to the other all documents, and shall take all actions, reasonably required by any other party hereto from time to time to confirm or effect the matters set forth herein or otherwise to carry out the purposes of this Agreement.

3. Binding on Successors. This Agreement shall be binding on and inure to the benefit of the successors in interest and assigns of the parties hereto.

4. Governing Law. This Agreement shall be governed by, interpreted under, and construed and enforceable in accordance with, the laws of the State of California.

5. Counterparts. This Agreement may be executed in one or more counterparts, all of which, when taken together, shall constitute a single instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

"District":

CYPRESS RECREATION & PARK DISTRICT,
a California special district

By__________________________________
_________________,
____

"Property Owner":

LOS ALAMITOS RACE COURSE, a California general partnership

By: Los Alamitos Racing Association, a California corporation, a general partner

By_______________________________
Edward C. Allred,
President

By_______________________________
Cathleen Allred,
Secretary

By: Quarter Horse Racing, Inc., a California corporation, a general partner

By_______________________________
Edward C. Allred,
Chief Executive Officer

By_______________________________
Cathleen Allred,
President and Secretary

"Cypress GC":

CYPRESS GC, LLC,
a California limited liability company

By_______________________________
Edward C. Allred,
Managing Member

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On ___________________, 20___, before me, ____________________________, a Notary Public, personally appeared ________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____
Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On _____________________, 20___, before me, ____________________________, a Notary Public, personally appeared ___________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____
Notary Public

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STATE OF CALIFORNIA	)
	)
COUNTY OF ORANGE	)

On ________________________, 20___, before me, ______________________________, a Notary Public, personally appeared _________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____
Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On ________________, 2026, before me, ____________________________, a Notary Public, personally appeared _______________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _________________________________

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On _________________, 2026, before me, _____________________________, a Notary Public, personally appeared _________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ___________________________________

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On ________________, 2026, before me, ______________________________, a Notary Public, personally appeared _________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ___________________________________

CITY OF CYPRESS

CITY COUNCIL REPORT

City Council Regular **7.**

FROM: Nick Mangkalakiri, Director of Public Works

DATE: 09/08/2026

SUBJECT: **Accept the City Hall East Wing HVAC Replacement, Project 379**

RECOMMENDATION

1. Accept the City Hall East Wing HVAC Replacement, Project 379, in the amount of $816,653.38 and approve the final payment of $40,832.67 to AireMasters Air Conditioning; and

2. Authorize the City Clerk to file a Notice of Completion with the County Recorder.

DISCUSSION

In September 2025, the City Council awarded a construction contract to AireMasters Air Conditioning for the replacement of the aging HVAC system serving the east wing of City Hall. The project was part of the City's broader effort to modernize and replace HVAC systems throughout the Civic Center with more reliable and energy-efficient equipment. Construction began in December 2025 and was completed in July 2026 within the approved project budget.

Public Works will release the Labor and Materials Bond and the Faithful Performance Bond upon expiration of the required lien period.

BUDGET IMPACT

The estimated cost of design, construction and inspection was $960,855.16, and final project costs total $946,997.35, as summarized in the attached table. Sufficient amounts are budgeted in the Capital Projects Fund to pay for the project.

LEGAL REVIEW

The City Attorney has reviewed this staff report.

APPROVED BY: Shannon DeLong, City Manager

Attachments

Project Cost Table

PROJECT COST TABLE

City Hall East Wing HVAC Replacement
Project 379

Item Description	Original Amount	Actual Expenditures	Difference
Design Support			
Design Support	$ 34,780.00	$ 34,780.00	$ -
Design Support Contingency	4,000.00	3,582.80	417.20
Sub-total Design Support	$ 38,780.00	$ 38,362.80	$ 417.20
Construction			
Construction	$ 721,000.00	$ 721,000.00	$ -
Construction Contingency	108,500.00	95,653.38*	12,846.62
Sub-total Construction	$ 829,500.00	$ 816,653.38	$ 12,846.62
Construction Management & Inspection			
Inspection	$ 80,075.16	$ 80,075.16	$ -
Inspection Contingency	12,500.00	11,906.01	593.99
Sub-total Construction Inspection	$ 92,575.16	$ 91,981.17	$ 593.99
Total Project	**$ 960,855.16**	**$ 946,997.35**	**$ 13,857.81**

* Includes change orders for unforseen site conditions and additional work.

CITY OF CYPRESS

CITY COUNCIL REPORT

City Council Regular **8.**

FROM: Nick Mangkalakiri, Director of Public Works

DATE: 09/08/2026

SUBJECT: **Approve the Purchase of Two Replacement Police Vehicles**

RECOMMENDATION

Approve the purchase of two replacement police vehicles for an amount not to exceed $117,775, plus a 5% contingency, from National Auto Fleet Group, utilizing cooperative purchasing through Sourcewell contract 081325-NAF.

DISCUSSION

The FY 2026-27 Budget includes the replacement of eight police vehicles. Over recent years, the availability of vehicles has caused delays in procurement of police vehicles. The two recommended SUVs are available to ship to the City within the next 45 days. Due to this current availability of vehicles, it is recommended the City purchase two SUVs from National Auto Fleet Group through the Sourcewell cooperative purchasing program. Municipal Code Section 21A-10(e) allows the use of cooperative purchasing programs as a more efficient and cost-effective method of procurement because of the volume-based pricing. Cooperative agreements provide the same terms and prices offered to other government agencies through a competitive bid process. The two police vehicles are expected to be delivered in November 2026.

Staff will return to City Council at a later date to purchase the remaining six police vehicles budgeted for FY 2026-27.

BUDGET IMPACT

The total cost with contingency for the two vehicles is $123,664. There are sufficient funds budgeted in the City's Capital Replacement Fund for this purchase.

LEGAL REVIEW

The City Attorney has reviewed this staff report.

APPROVED BY: Shannon DeLong, City Manager

Attachments

Vehicle Quotes

National Auto Fleet Group
A Division of Chevrolet of Watsonville
490 Auto Center Drive, Watsonville, CA 95076
(855) 289-6572 • (831) 480-8497 Fax
Fleet@NationalAutoFleetGroup.com

8/26/2026

Government Quote ID: **36004**

Order Cut Off Date: **5/29/2026**

Mr Jose Guerra
City of Cypress

5275 Orange Ave.

Cypress, California, 90630

Dear Jose Guerra,

National Auto Fleet Group is pleased to quote the following vehicle(s) for your consideration.
One (1) New/Unused 2026 Chevrolet Tahoe (CC10706) 2WD 4dr LT, delivered to your specified location, each for

	One Unit (MSRP)	One Unit	Total % Savings	Total Savings
Contract Price	$69,080.00	$66,770.93	3.343 %	$2,309.07
Tax (7.7500 %)		$5,174.75		
Tire fee		$8.75		
Transportation		$165.00		
Total		$72,119.42		

- per the attached specifications.

This vehicle(s) is available under the **Sourcewell Contract 081325-NAF** . Please reference this Contract number on all purchase orders to National Auto Fleet Group. Payment terms are Net 30 days after receipt of vehicle.

Thank you in advance for your consideration. Should you have any questions, please do not hesitate to call.

Sincerely,

Yesenia Covarrubias
Account Manager
yesenia@watsonvillefleetgroup.com
(626) 457-5590

Sourcewell Awarded Contract
Contract # 081325-NAF

Vehicle Configuration Options

EMISSIONS	
Code	**Description**
YF5	Emissions, California state requirements
ENGINE	
Code	**Description**
L84	Engine, 5.3L EcoTec3 V8, (STD)
TRANSMISSION	
Code	**Description**
MHS	Transmission, 10-speed automatic, (STD)
AXLE	
Code	**Description**
GU5	Rear axle, 3.23 ratio
PREFERRED EQUIPMENT GROUP	
Code	**Description**
1LT	LT Preferred Equipment Group, includes standard equipment
TIRES	
Code	**Description**
QDF	Tires, 265/65R18SL all-season, blackwall, (STD)
PAINT	
Code	**Description**
GBA	Black
SEAT TYPE	
Code	**Description**
A50	Seats, front bucket, (STD)
SEAT TRIM	
Code	**Description**
H0Y	Jet Black, Leather-Appointed seating surfaces
RADIO	
Code	**Description**

URW	Audio system, 17.7" diagonal advanced color LCD display, (STD)
ADDITIONAL EQUIPMENT	
Code	**Description**
Y55	Comfort Package, (Also includes (WPL) Luxury Package content. Included with (RGC) Adventure Package 1 - Basket and (RGD) Adventure Package 2 - Box.
WPL	Luxury Package, includes (DD8) Inside rearview auto-dimming mirror, (UG1) Universal Home Remote and (T40) LED front fog lamps
TGE	Headlamps, LED, with LED Daytime Running Lamps, includes animated lighting
T40	Fog lamps, front LED
TAU	Tail lamps, LED, includes animated lighting
DXR	Mirrors, outside heated power-adjustable, power-folding, driver-side auto-dimming, integrated turn signal indicators and puddle lighting
UQS	Audio system feature, Bose 10-speaker Surround with CenterPoint
KA6	Seats, heated second row outboard seats
ATN	Seats, second row bucket, power release
AS8	Seats, third row 60/40 split-bench, power-folding
A45	Memory settings, recalls 2 "driver" presets for power driver seat and outside rearview mirrors
KI3	Steering wheel, heated
UG1	Universal Home Remote, includes garage door opener, programmable
DD8	Mirror, inside rearview auto-dimming
WHEEL TYPE	
Code	**Description**
RCV	Wheels, 18" x 8.5" (45.7 cm x 21.6 cm) Bright Silver painted aluminum, (STD)
GVWR	
Code	**Description**
C6C	GVWR, 7400 lbs. (3357 kg), (STD)

2026 Fleet/Non-Retail Chevrolet Tahoe 2WD 4dr LT

WINDOW STICKER

2026 Chevrolet Tahoe 2WD 4dr LT

CODE	MODEL	MSRP
CC10706	2026 Chevrolet Tahoe 2WD 4dr LT	$63,700.00
	OPTIONS	
YF5	Emissions, California state requirements	$0.00
L84	Engine, 5.3L EcoTec3 V8, (STD)	$0.00
MHS	Transmission, 10-speed automatic, (STD)	$0.00
GU5	Rear axle, 3.23 ratio	$0.00
1LT	LT Preferred Equipment Group, includes standard equipment	$0.00
QDF	Tires, 265/65R18SL all-season, blackwall, (STD)	$0.00
GBA	Black	$0.00
A50	Seats, front bucket, (STD)	$0.00
H0Y	Jet Black, Leather-Appointed seating surfaces	$0.00
URW	Audio system, 17.7" diagonal advanced color LCD display, (STD)	$0.00
Y55	Comfort Package, (Also includes (WPL) Luxury Package content. Included with (RGC) Adventure Package 1 - Basket and (RGD) Adventure Package 2 - Box.	$2,215.00
WPL	Luxury Package, includes (DD8) Inside rearview auto-dimming mirror, (UG1) Universal Home Remote and (T40) LED front fog lamps	INC
TGE	Headlamps, LED, with LED Daytime Running Lamps, includes animated lighting	INC
T40	Fog lamps, front LED	INC
TAU	Tail lamps, LED, includes animated lighting	INC
DXR	Mirrors, outside heated power-adjustable, power-folding, driver-side auto-dimming, integrated turn signal indicators and puddle lighting	INC
UQS	Audio system feature, Bose 10-speaker Surround with CenterPoint	INC
KA6	Seats, heated second row outboard seats	INC
ATN	Seats, second row bucket, power release	$370.00
AS8	Seats, third row 60/40 split-bench, power-folding	INC
A45	Memory settings, recalls 2 "driver" presets for power driver seat and outside rearview mirrors	INC
KI3	Steering wheel, heated	INC
UG1	Universal Home Remote, includes garage door opener, programmable	INC
DD8	Mirror, inside rearview auto-dimming	INC
RCV	Wheels, 18" x 8.5" (45.7 cm x 21.6 cm) Bright Silver painted aluminum, (STD)	$0.00
C6C	GVWR, 7400 lbs. (3357 kg), (STD)	$0.00

Please note selected options override standard equipment

SUBTOTAL	**$66,285.00**
Advert/ Adjustments	$0.00
Manufacturer Destination Charge	$2,795.00
TOTAL PRICE	**$69,080.00**

Est City: N/A MPG
Est Highway: N/A MPG
Est Highway Cruising Range: N/A mi

Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

Notes

Government Quote ID: 36004

Standard Equipment

MECHANICAL

Engine, 5.3L EcoTec3 V8 with Dynamic Fuel Management, Direct Injection and Variable Valve Timing, includes aluminum block construction (355 hp [265 kW] @ 5600 rpm, 383 lb-ft of torque [518 Nm] @ 4100 rpm) (STD)
Transmission, 10-speed automatic electronically controlled with overdrive, includes Traction Select System including tow/haul (Standard with (L84) 5.3L EcoTec3 V8 engine only.) (STD)
Rear axle, 3.23 ratio
GVWR, 7400 lbs. (3357 kg) (Standard on 2WD models with (L84) 5.3L EcoTec3 V8 engine or (L87) 6.2L EcoTec3 V8 engine.) (STD)

EXTERIOR

Wheels, 18" x 8.5" (45.7 cm x 21.6 cm) Bright Silver painted aluminum (STD)
Tires, 265/65R18SL all-season, blackwall (Standard with (RCV) 18" Bright Silver painted aluminum wheels only.) (STD)

ENTERTAINMENT

Audio system, 17.7" diagonal advanced color LCD display with Google built-in compatibility (select service plan required, terms and limitations apply), including navigation capability, connected apps, personalized profiles for each driver's settings, Natural Voice Recognition and Phone Integration (STD)

INTERIOR

Seats, front bucket (STD)

SUSPENSION PKG

Suspension, Premium Smooth Ride

ADDITIONAL EQUIPMENT

Keyless start, push button
Automatic Stop/Start
Engine control, stop/start system disable button, non-latching
Engine air filtration monitor
Fuel, gasoline, E15 (Standard with (L84) 5.3L EcoTec3 V8 engine only.)
Differential, mechanical limited-slip
Rear wheel drive

Cooling, external engine oil cooler, heavy-duty air-to-oil integral to driver side of radiator (Deleted when (LZ0) Duramax 3.0L Turbo-Diesel engine is ordered.)
Cooling, auxiliary transmission oil cooler, heavy-duty air-to-oil
Battery, 730 cold-cranking amps with 80 amp hour rating (Standard with (L84) 5.3L EcoTec3 V8 engine only.)
Alternator, 220 amps (Standard with (L84) 5.3L EcoTec3 V8 engine only.)
Trailering equipment includes trailering hitch platform, 7-wire harness with independent fused trailering circuits mated to a 7-way connector and 2" trailering receiver
Trailer sway control
Hitch Guidance
Suspension, front coil-over-shock with stabilizer bar
Suspension, rear multi-link with coil springs
Steering, power
Brakes, 4-wheel antilock, 4-wheel disc with DURALIFE rotors
Exhaust, single system, single-outlet
Mechanical Jack with tools
Wheel, full-size spare, 17" (43.2 cm) steel
Tire, spare P265/70R17 all-season, blackwall
Tire carrier, lockable outside spare, winch-type mounted under frame at rear
Active aero shutters, upper (Standard with (L84) 5.3L EcoTec3 V8 engine only.)
Fascia, front
Luggage rack side rails, roof-mounted, bright
Assist steps, Black with chrome accent strip
IntelliBeam, automatic high beam on/off
Headlamps, LED
Tail lamps, LED
Mirrors, outside heated power-adjustable, manual-folding, body-color
Mirror caps, body-color
Glass, deep-tinted (all windows, except light-tinted glass on windshield and driver- and front passenger-side glass)
Glass, acoustic, laminated
Glass, windshield shade band
Windshield, solar absorbing
Wipers, front intermittent, Rainsense
Wiper, rear intermittent with washer
Door handles, body-color
Liftgate, rear power with programmable memory height
Audio system feature, 6-speaker system
Bluetooth for phone personal cell phone connectivity to vehicle audio system
5G Wi-Fi Hotspot capable (Terms and limitations apply. See onstar.com or dealer for details.)
Wi-Fi Hotspot capable (Terms and limitations apply. See onstar.com or dealer for details.)

SiriusXM with 360L Trial Subscription. SiriusXM with 360L transforms your customers' ride with our most extensive and personalized radio experience on the road. (IMPORTANT: The SiriusXM trial subscription is not provided on vehicles that are ordered for Fleet Daily Rental ("FDR") use. Trial subscription is subject to the SiriusXM Customer Agreement and privacy policy, visit www.siriusxm.com which includes full terms and how to cancel. All fees, content, features, and availability are subject to change. Some features require GM connected vehicle services.)
Wireless Apple CarPlay/Wireless Android Auto
Seat trim, leather-appointed front seats
Seat adjuster, driver 8-way power
Seat adjuster, front passenger 8-way power
Seat adjuster, driver 2-way power lumbar
Seat adjuster, front passenger 2-way power lumbar
Seats, heated driver and front passenger
Seats, second row 60/40 split-folding bench, manual
Seats, third row 60/40 split-folding bench, manual
Memory settings, recalls 2 "driver" presets for power driver seat
Key card (Requires (UE1) OnStar.)
Console, floor with storage area and removable storage tray
Floor covering, color-keyed carpeting
Floor mats, color-keyed carpeted first and second row, removable (Deleted when LPO floor mats or LPO floor liners are ordered.)
Electronic Precision Shift
Steering column lock, electrical
Steering column, manual tilt and telescopic
Steering wheel, 3-spoke, wrapped
Steering wheel controls, mounted audio, Driver Information Center, Adaptive Cruise Control, Forward Collision Alert following gap button and heated steering wheel (when equipped)
Driver Information Center, 11" diagonal multi-color digital display
Interior camera (requires future vehicle software update) (Enables Cabin Glance View and Interior Security Recording View.)
Door locks, power programmable with lockout protection and delayed locking
Keyless Open includes extended range Remote Keyless Entry
Remote start
Window, power with driver Express-Up/Down
Window, power with front passenger Express-Up/Down
Windows, power with rear Express-Down
Adaptive Cruise Control
Theft-deterrent system, electrical, unauthorized entry
Wireless Phone Charging, for portable devices
USB ports, 2 type-A and C, charge and data located inside center console
USB ports, 2 type-A and C, charge and data, located on front console
USB ports, 2 type-C, charge-only, located in third row

Air conditioning, tri-zone automatic climate control with individual climate settings for driver, right front passenger and rear seat occupants
Air conditioning, rear
Defogger, rear-window electric
Power outlets, 2, 120-volt, located on the rear of the center console and rear cargo area (NOTE: When ordered with (9C1) Police Package or (5W4) Special Service Package, the location of the outlets will change from the rear of the center console to the rear of the center seat.)
Mirror, inside rearview manual day/night
Visors, driver and front passenger illuminated vanity mirrors, sliding
Assist handles, overhead, driver and front passenger, located in headliner
Assist handles, front passenger A-pillar and second row outboard B-pillar
Lighting, interior with dome light, driver- and passenger-side door switch with delayed entry feature, cargo lights, door handle or Remote Keyless Entry-activated illuminated entry and map lights in front and second seat positions
Cargo management system
Chevrolet Connected Access capable (Subject to terms. See onstar.com or dealer for details.)
Front Pedestrian and Bicyclist Braking
Intersection Automatic Emergency Braking intersection alert, braking
Enhanced Automatic Emergency Braking
Reverse Automatic Braking
StabiliTrak, stability control system with brake assist, includes traction control
Airbags, Frontal airbags for driver and front outboard passenger; Seat-mounted side-impact airbags for driver and front outboard passenger; Driver inboard seat-mounted side-impact airbag; Head-curtain airbags for all rows in outboard seating positions (Always use seat belts and child restraints. Children are safer when properly secured in a rear seat in the appropriate child restraint. See the Owner's Manual for more information.)
Front outboard Passenger Sensing System for frontal outboard passenger airbag (Always use seat belts and child restraints. Children are safer when properly secured in a rear seat in the appropriate child restraint. See the Owner's Manual for more information.)
Hill Start Assist
Blind Zone Steering Assist (Replaced by (UKW) Blind Zone Steering Assist with Trailering when (NHT) Max Trailering Package is ordered.)
OnStar Services capable (See onstar.com for details and limitations. Services vary by model. Service plan required.)
Enhanced Automatic Parking Assist
HD Surround Vision (Enables and includes Surround Vision Recorder and Security Recordings.)
Rear Camera Washer
Rear Cross Traffic Braking
Rear Pedestrian Alert
Side Bicyclist Alert
Lane Keep Assist with Lane Departure Warning, enhanced (Upgradeable to (UKL) Super Cruise.)
Forward Collision Alert
Safety Alert Seat
Rear Seat Reminder

Buckle to Drive prevents vehicle from being shifted out of Park until driver seat belt is fastened; times out after 20 seconds and encourages seat belt use, can be turned on and off in Settings or Teen Driver menu
Door locks, rear child security, manual
LATCH system (Lower Anchors and Tethers for CHildren), for child restraint seats lower anchors and top tethers located in all second-row seating positions, top tethers located in third row seating positions
Teen Driver a configurable feature that lets you activate customizable vehicle settings associated with a key fob, to help encourage safe driving behavior. It can limit certain available vehicle features, and it prevents certain safety systems from being turned off. An in-vehicle report card gives you information on driving habits and helps you to continue to coach your new driver
Tire Pressure Monitoring System auto learn, includes Tire Fill Alert (does not apply to spare tire)
Warning tones headlamp on, driver and right-front passenger seat belt unfasten and turn signal on
OnStar Basics (OnStar Fleet Basics for Fleet) Drive confidently with core OnStar services including remote commands, built-in voice assistance, real-time traffic and navigation, and Automatic Crash Response to help if you're in need. (Requires (UE1) OnStar. OnStar Basics includes remote commands, Navigation, Voice Assistance, and Automatic Crash Response, for eligible vehicles with compatible software. OnStar Basics is standard for 8 years; OnStar plan, working electrical system, cell reception and GPS signal required. OnStar links to emergency services. Service coverage varies with conditions and location. Service availability, features and functionality vary by device and software version. See onstar.com for details and limitations.)

National Auto Fleet Group
A Division of Chevrolet of Watsonville
490 Auto Center Drive, Watsonville, CA 95076
(855) 289-6572 • (831) 480-8497 Fax
Fleet@NationalAutoFleetGroup.com

9/1/2026

Government Quote ID: **36079**

Order Cut Off Date: **5/1/2026**

Mr Jose Guerra
City of Cypress

5275 Orange Ave.

Cypress, California, 90630

Dear Jose Guerra,

National Auto Fleet Group is pleased to quote the following vehicle(s) for your consideration.
One (1) New/Unused 2026 Ford Explorer (K7D) Active w/200A Pkg RWD, delivered to your specified location, each for

	One Unit (MSRP)	One Unit	Total % Savings	Total Savings
Contract Price	$42,780.00	$42,210.14	1.332 %	$569.86
Tax (7.7500 %)		$3,271.29		
Tire fee		$8.75		
Transportation		$165.00		
Total		$45,655.18		

- per the attached specifications.

This vehicle(s) is available under the **Sourcewell Contract 081325-NAF** . Please reference this Contract number on all purchase orders to National Auto Fleet Group. Payment terms are Net 30 days after receipt of vehicle.

Thank you in advance for your consideration. Should you have any questions, please do not hesitate to call.

Sincerely,

Yesenia Covarrubias
Account Manager
yesenia@watsonvillefleetgroup.com
(626) 457-5590

Sourcewell
Awarded Contract
Contract # 081325-NAF

CHEVROLET Ford NISSAN TOYOTA GMC

Vehicle Configuration Options

ENGINE	
Code	**Description**
99H	Engine: 2.3L EcoBoost I-4, (STD)
TRANSMISSION	
Code	**Description**
44T	Transmission: 10-Speed Automatic, (STD)
PRIMARY PAINT	
Code	**Description**
A3	Space White Metallic
SEAT TYPE	
Code	**Description**
8H	Dark Space Gray, Unique Cloth Heated Captain's Chairs, -inc: 10-way power driver and 4-way manual passenger
ADDITIONAL EQUIPMENT	
Code	**Description**
76U	18" Spare Wheel & Jack Kit, -inc: 18" spare tire
OPTION PACKAGE	
Code	**Description**
200A	Equipment Group 200A Standard Package

2026 Fleet/Non-Retail Ford Explorer Active w/200A Pkg RWD

WINDOW STICKER

2026 Ford Explorer Active w/200A Pkg RWD

CODE	MODEL	MSRP
K7D	2026 Ford Explorer Active w/200A Pkg RWD	$40,585.00
	OPTIONS	
99H	Engine: 2.3L EcoBoost I-4, (STD)	$0.00
44T	Transmission: 10-Speed Automatic, (STD)	$0.00
A3	Space White Metallic	$0.00
8H	Dark Space Gray, Unique Cloth Heated Captain's Chairs, -inc: 10-way power driver and 4-way manual passenger	$0.00
76U	18" Spare Wheel & Jack Kit, -inc: 18" spare tire	$400.00
200A	Equipment Group 200A Standard Package	$0.00

Please note selected options override standard equipment

	SUBTOTAL	**$40,985.00**
	Advert/ Adjustments	$0.00
	Manufacturer Destination Charge	$1,795.00
	TOTAL PRICE	**$42,780.00**

Est City: 20 MPG
Est Highway: 29 MPG
Est Highway Cruising Range: 519.10 mi

Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

Notes

Government Quote ID: 36079

Standard Equipment

MECHANICAL

Engine: 2.3L EcoBoost I-4 -inc: auto start-stop technology (STD)
Transmission: 10-Speed Automatic (STD)

WHEELS

Wheels: 18" Sparkle Silver-Painted Aluminum

ADDITIONAL EQUIPMENT

Transmission w/Driver Selectable Mode
Rear-Wheel Drive
3.58 Axle Ratio
Battery w/Run Down Protection
Regenerative Alternator
Class III Towing Equipment -inc: Hitch and Trailer Sway Control
Trailer Wiring Harness
GVWR: 5,830 lbs
Gas-Pressurized Shock Absorbers
Front And Rear Anti-Roll Bars
Electric Power-Assist Speed-Sensing Steering
17.9 Gal. Fuel Tank
Dual Stainless Steel Exhaust
Strut Front Suspension w/Coil Springs
Multi-Link Rear Suspension w/Coil Springs
4-Wheel Disc Brakes w/4-Wheel ABS, Front And Rear Vented Discs, Brake Assist, Hill Hold Control and Electric Parking Brake
Tires: P255/65R18 AS BSW
Tire Mobility Kit
Body-Colored Rear Bumper w/Black Rub Strip/Fascia Accent
Body-Colored Front Bumper w/Metal-Look Bumper Insert
Black Side Windows Trim, Black Front Windshield Trim and Black Rear Window Trim
Body-Colored Door Handles
Chrome Bodyside Insert, Black Bodyside Cladding and Black Wheel Well Trim
Black Power Heated Side Mirrors w/Manual Folding
Fixed Rear Window w/Wiper and Defroster
Deep Tinted Glass
Speed Sensitive Variable Intermittent Wipers

Galvanized Steel/Aluminum Panels
Lip Spoiler
Black Grille w/Chrome Accents
Power Liftgate Rear Cargo Access
Tailgate/Rear Door Lock Included w/Power Door Locks
Autolamp Auto On/Off Reflector Led Low/High Beam Auto High-Beam Daytime Running Lights Preference Setting Headlamps w/Delay-Off
Perimeter/Approach Lights
LED Brakelights
Headlights-Automatic Highbeams
Radio w/Seek-Scan, Clock, Steering Wheel Controls, External Memory Control and Internal Memory
Radio: AM/FM Stereo -inc: MP3 capable, 6 speakers, speed-compensated volume, SiriusXM w/360L and 3-month prepaid subscription (service is not available in Alaska and Hawaii), Ford digital experience w/13.2" color LCD touchscreen in IP center-stack, Google Assistant, Google Maps and Google Play, pinch-to-zoom capability, 911 Assist, Apple CarPlay and Android Auto wireless compatibility, Note: SiriusXM services require a subscription, sold separately by SiriusXM after the trial period, Your SiriusXM service will automatically stop at the end of your trial unless you decide to subscribe, If you decide to continue service, the subscription plan chosen will automatically renew and be charged according to your chosen payment method at the then-current rates, Fees and taxes apply, See the SiriusXM customer agreement and privacy policy at http://www.siriusxm.com/ www.siriusxm.com for full terms and how to cancel, which includes online methods or calling 1-866-635-2349, Available in the 48 contiguous United States, D.C, and Puerto Rico (w/coverage limits and capable receiver), Visit http://www.siriusxm.com/FAQS for most current service area information, Availability of some services and features is subject to device capabilities and location restrictions, All fees, content and features are subject to change, SiriusXM, Pandora and all related logos are trademarks of Sirius XM Radio Inc, and its respective subsidiaries Eligible 2026 model-year vehicle receive complimentary access to 1-year Ford connectivity connected service plan enabling Google Assistant, Google Maps and Google Play which begins on the new warranty start date. Evolving technology/cellular networks/vehicle capability may limit functionality and prevent operation of connected features.
Streaming Audio
Integrated Roof Antenna
6 Speakers
Bluetooth Wireless Phone Connectivity
2 LCD Monitors In The Front
Real-Time Traffic Display
Driver And Passenger Heated Front Seat
4-Way Power Driver Seat -inc: Power Recline and Cushion Tilt
Passenger Seat
Bucket Folding Captain Front Facing Manual Reclining Fold Forward Seatback Rear Seat w/Manual Fore/Aft
Manual Tilt/Telescoping Steering Column
Gauges -inc: Speedometer, Odometer, Engine Coolant Temp, Tachometer, Oil Level, Trip Odometer and Trip Computer
Power Rear Windows and Fixed 3rd Row Windows
Ford Connect 5G Mobile Hotspot Internet Access

Fixed 50-50 Bench 3rd Row Seat Front, Manual Fold-Into-Floor Folding Activation, 2 Manual and Adjustable Head Restraints
Leatherette Steering Wheel
Front Cupholder
Rear Cupholder
Compass
Proximity Key For Doors And Push Button Start
Remote Keyless Entry w/Integrated Key Transmitter, Illuminated Entry, Illuminated Ignition Switch and Panic Button
Remote Releases -Inc: Power Cargo Access
Cruise Control w/Steering Wheel Controls
Adaptive Cruise Control with Stop-and-Go
Voice Activated Dual Zone Front Automatic Air Conditioning
Rear Climate Controls w/Rear Controls
HVAC -inc: Underseat Ducts and Headliner/Pillar Ducts
Locking Glove Box
Driver Foot Rest
Full Cloth Headliner
Interior Trim -inc: Piano Black/Metal-Look Instrument Panel Insert, Piano Black/Metal-Look Door Panel Insert, Piano Black Console Insert and Chrome/Metal-Look Interior Accents
Cloth Door Trim Insert
Unique Cloth Heated Captain's Chairs -inc: 10-way power driver and 4-way manual passenger
Day-Night Rearview Mirror
Driver And Passenger Visor Vanity Mirrors w/Driver And Passenger Illumination, Driver And Passenger Auxiliary Mirror
Full Floor Console w/Covered Storage, Mini Overhead Console w/Storage and 3 12V DC Power Outlets
Front And Rear Map Lights
Full Carpet Floor Covering -inc: Carpet Front And Rear Floor Mats
Rear Carpet Floor Trim
Cargo Area Concealed Storage
Cargo Features -inc: Tire Mobility Kit
Cargo Space Lights
Smart Device Remote Engine Start
Integrated Navigation System w/Voice Activation
Smart Device Integration
FOB Controls -inc: Keyfob Cargo Access
Driver / Passenger And Rear Door Bins
Power 1st Row Windows w/Driver And Passenger 1-Touch Up/Down
Delayed Accessory Power
Power Door Locks w/Autolock Feature
Driver Information Center

Redundant Digital Speedometer
Trip Computer
Outside Temp Gauge
Digital/Analog Appearance
Seats w/Cloth Back Material
2 Seatback Storage Pockets
Front Center Armrest and Rear Single Seat Mounted Armrest
Manual Adjustable Front Head Restraints and Manual Adjustable Rear Head Restraints
Perimeter Alarm
Securilock Anti-Theft Ignition (pats) Immobilizer
3 12V DC Power Outlets
Air Filtration
Lane Centering
AdvanceTrac w/Roll Stability Control Electronic Stability Control (ESC) And Roll Stability Control (RSC)
ABS And Driveline Traction Control
Side Impact Beams
Dual Stage Driver And Passenger Seat-Mounted Side Airbags
Emergency Sos Capability
BLIS (Blind Spot Information System) Blind Spot
PCA with AEB and Intersection Assist
Rear Cross-Traffic Braking
Lane-Keeping System Lane Keeping Assist
Lane-Keeping System Lane Departure Warning
Collision Mitigation-Front
Driver Monitoring-Alert
Evasion Assist
Reverse Sensing System Rear Parking Sensors
Tire Specific Low Tire Pressure Warning
Dual Stage Driver And Passenger Front Airbags
Safety Canopy System Curtain 1st, 2nd And 3rd Row Airbags
Airbag Occupancy Sensor
Driver Knee Airbag
Mykey System -inc: Top Speed Limiter, Audio Volume Limiter, Early Low Fuel Warning, Programmable Sound Chimes and Beltminder w/Audio Mute
Rear Child Safety Locks
Outboard Front Lap And Shoulder Safety Belts -inc: Height Adjusters and Pretensioners
Back-Up Camera

CITY OF CYPRESS

CITY COUNCIL REPORT

City Council Regular **9.**

FROM: Jeff Draper, Director of Recreation and Community Services

DATE: 09/08/2026

SUBJECT: **Approve Playground Design Standards**

RECOMMENDATION

Approve playground design standards for the design, construction, accessibility, safety, and durability of all new outdoor publicly accessible playgrounds within the City of Cypress.

DISCUSSION

The City Council's strategic plan tasks Recreation staff and the Recreation and Community Services Commission with developing and recommending playground design standards. While most playgrounds are already subject to safety regulations adopted by the State of California, the proposed playground design standards establish standards for the design, construction, accessibility, safety, and durability of all new outdoor publicly accessible playgrounds within the City of Cypress.

Under the proposed playground design standards, all new playground projects would be required to submit a Playground Plan with detailed information to the Director of Public Works and the Director of Recreation and Community Services for review prior to the issuance of a building permit. Before final acceptance of the project, applicants must also submit a letter to the Public Works Department certifying that the play equipment installation has been inspected and certified by a qualified inspector authorized by the manufacturer, the equipment has been installed per the manufacturer's specifications, and that it complies with the minimum playground safety regulations adopted by the State of California.

The proposed playground design standards also establish children's play area considerations to ensure play areas are designed with safety in mind, including spatial considerations, layout, equipment, and surfacing.

Spatial considerations establish size recommendations for children's play areas based on age groups, minimum separation from vehicular traffic, athletic fields, and active recreation areas, a minimum of 50% shade coverage over play areas, and shaded seating areas with unobstructed sight lines for adult supervision.

Layout considerations require appropriate age-related and adult supervision signage, ADA-compliant access, proper swing orientation, compliance with required fall zones, and direction on installation of play equipment footings and drainage systems that must be approved by the City Engineer.

Equipment considerations include compliance with current federal safety standards, applicable accessibility requirements, and relevant California standards and regulations. Equipment should be constructed of durable materials with an expected minimum service life of 20 years. Designs should provide a variety of inclusive and developmentally appropriate play experiences while incorporating innovative and unique elements that enhance the overall play value.

Finally, surfacing considerations make poured-in-place rubberized safety surfacing the standard to ensure ADA access while allowing the surfacing thickness to be tailored to the needs of the play equipment complying with fall zone requirements.

Overall, staff and the Recreation and Community Services Commission recommend approval of the playground design standards to promote playgrounds that are safe, accessible, durable, easy to maintain, developmentally beneficial for children, and compliant with all applicable State and Federal regulations.

BUDGET IMPACT

The recommended playground design standards do not have an immediate impact on the Recreation and Park District's budget. Future playground replacements at City owned facilities will adhere to these standards and will be budgeted in the Capital Improvement Plan. All other new outdoor publicly accessible playgrounds within the City of Cypress will also adhere to these standards.

LEGAL REVIEW

The City Attorney has reviewed this staff report.

APPROVED BY: Shannon DeLong, City Manager

Attachments

Playground Design Standards

Existing Park Facilities

CITY OF CYPRESS & CYPRESS RECREATION AND PARK DISTRICT
PLAYGROUND DESIGN STANDARDS

INTRODUCTION

The City of Cypress (City) and Cypress Recreation and Park District (District) owns and/or operates 22 park sites with approximately 100 acres of open space and recreational facilities. Cypress' park system includes community parks, neighborhood parks, and mini parks.

Although public parks are typical locations for playgrounds, playgrounds can also be installed at schools, churches, day care centers, restaurants, and homeowner association recreational facilities (private parks). The goal of the Playground Design Standards is to develop a common approach to the design of children's play areas to ensure safety is a top priority. All new outdoor, publicly accessible playgrounds in the City of Cypress are subject to these Playground Design Standards and all safety regulations adopted by the state of California. Replacement of existing playground equipment and play structures shall comply with these Playground Design Standards to the maximum extent feasible.

REQUIREMENTS FOR PLAYGROUNDS

1. The following conditions shall be placed on the development of all new playgrounds:
   - Prior to the issuance of building permits, the applicant shall submit to the Director of Public Works and the Director of Recreation and Community Services, or their designee, for review and approval, a Playground Plan that includes detailed playground specifications for manufactured play equipment. The plan shall depict safety fall zones and include a site plan, safety surfacing materials, construction specifications, manufacturer and model numbers of equipment, equipment color and materials, and equipment deck heights.
   - Prior to final acceptance and approval of the playground installation by the Public Works Department, the applicant shall submit a letter to the Public Works Department certifying that the play equipment installation has been inspected and certified by a qualified inspector authorized by the manufacturer, that the equipment has been installed per manufacturer's specifications, and that it complies with the minimum playground safety regulations adopted by the State of California (California Health Code, Title 22, Division 4, Chapter 22 "Safety Regulations for Playgrounds," Article 1-4).
2. All safety surfacing in playgrounds shall comply with the minimum safety standards in ASTM F 1292- "Standard Specification for Impact Attenuation of Surface Systems Under and Around Playground Equipment."
3. Accessible safety surfacing shall comply with the minimum accessibility standards in ASTM F 1951 "Standard Specification for Determination of Accessibility of Surface Systems Under and Around Playground Equipment." Testing information may be requested.

4. Specific information included in the Playground Plan submittal shall be:
    - To scale diagram of playground layout, no smaller than 1" = 20'.
    - Dimensioned safety use zones around each piece of equipment, per manufacturer's specifications.
    - Model number of each piece of equipment. Specifications for play equipment may be requested.
    - Name, address, and contact phone number of equipment manufacturer(s).
    - Name, address, and contact phone number of safety surfacing manufacturer(s).
    - Deck, platform and step heights for each component.
    - Type of each play component.
    - Location of ADA compliant path of travel and access point to the equipment (transfer platform). Provide a chart comparing the required number of accessible play components and the number of proposed accessible play components. For the minimum number of required play components to be ADA complaint, refer to the U. S. Architectural and Transportation Barriers Compliance Board (Access Board) A Guide to the ADA Accessibility Guidelines for Play Areas (available from http://www.access-board.gov).
    - Details on installation of safety surfacing, including section view with minimum depth of safety surfacing and type of surfacing.
    - Method of drainage of safety surfacing.
    - Age group that the play equipment is designed for.

CHILDREN'S PLAY AREA CONSIDERATIONS

Spatial Considerations

Children's play areas fall into two age group classifications: Pre-school age children of two to five (2-5) years, and school age children ages five to twelve (5-12) years. Each age group category must have a distinctly different space with required separations.

- Pre-school age children play areas, often referred to as tot lots, should have a suggested area of 600 to 2,500 s.f., and should be designed for pre-school age children of two to five (2-5) years of age, and have a recommended maximum deck height of forty-eight inches (48").
- School age children play areas should have a suggested area of 1,600 to 5,000 s.f., and should be designed for five to twelve (5-12) years of age and have deck heights ranging upwards of six feet (6').
- Composite play areas that serve children of both two to five (2-5) years and five to twelve (5-12) years should have a suggested area of 2,200 to 7,500 s.f. with functionally separate play structures.

- In single composite play areas that service children of both two to five (2-5) years and five to twelve (5-12) years, provide space and/or a barrier to separate the two age groups and ensure that play patterns do not interfere with one another.
- Play areas should be designed with safety in mind and follow the following criteria.
    - Maintain one hundred and fifty (150’) from vehicular travel or provide a forty-two to forty-eight inch (42”-48”) high fence to separate children and vehicular traffic.
    - Maintain a minimum distance of fifty feet (50’) between children’s play areas and athletic facilities or provide adequate fencing.
    - Maintain one hundred feet (100’) from active recreation areas (i.e. sport courts) or provide adequate fencing.
    - Play areas should include shaded seating for parental supervision such as benches under tree canopies, shade sails, or in close proximity to group picnic areas.
    - Develop playgrounds that provide enhancement of children's total developmental needs, including physical, social, creative, reflective and tactile experiences.
    - Linkage of play areas to open space is desirable.
    - Develop natural barriers or features to segregate play areas from conflicting or incompatible uses.
    - Provide unobstructed lines of sight between separate play areas for ease of supervision.
    - Provide shade structures that are free-standing or attached to the play structures that cover 50% of the play area.
    - If restrooms are proposed, restrooms must be in a clear line of sight from play areas and should be within one-hundred feet (100’) of play area.
    - Provide ADA-compliant water fountains in close proximity to play areas.
    - Drinking fountains should be visible from play areas.
    - Design facilities to permit use by the physically disabled by providing ground play opportunities, transfer points to elevated play, and accessible ramps.
    - Scale equipment and apparatus to the size of the intended users.
    - Provide irrigation quick-couplers outside the perimeter of play areas. The distance between quick couplers should be fifty feet (50’), as practicable.

Layout

- Provide age designation signage at the entrance of each play area that states the age appropriateness of the play equipment and recommendations for adult supervision.
- Provide an ADA-compliant access ramp near the play equipment transfer deck per the Consumer Product Safety Commission (CPSC) Guidelines.
- Provide a zero-inch curb face between the finished surface of poured-in-place surfacing and the top of adjacent play area curb.
- Orient the swing area away from the active play area to avoid conflicts in play circulation. Swings can be either visually or physically separated from the active play area.
- Provide an additional two feet (2') between the required fall zone of a play component and the play area containment edge.
- Equipment layout including fall zones must follow current CA State Law AB1144 Harmon, ADA regulations, Consumer Product Safety Commission (CPSC) Guidelines, and ASTM.
- All sump drain systems shall be designed by a licensed Civil Engineer in accordance with the manufacturer's recommendations, applicable geotechnical reports, City Standard Details, and supporting technical documentation, subject to review and approval by the City Engineer.
- All play structure footings shall be designed by a licensed Civil Engineer in accordance with the manufacturer's recommendations, with a minimum footing size of eighteen inches (18") in diameter by three feet (3') deep, and submitted for review and approval by the City Engineer. Where non-standard manufacturer footings are required, the concrete volume shall be increased by one and one-half (1.5) times while maintaining the minimum three-foot (3') depth. All posts shall extend to the bottom of the footing with a minimum three-inch (3") concrete clearance on all sides and include an approved anchoring mechanism, as approved by the City Engineer. Curbs and ramps should all be as per City Standard Details.

Equipment

- The City must approve colors of the play components.
- Playground equipment and design must meet current U.S. Consumer Product Safety Commission (CPSC) guidelines and standards as set forth in the Handbook for Public Playground Safety, as intended by SB 2733, and updated as per AB 1144 (Harmon), and must meet or exceed ASTM standards.
- Playground design must comply with the latest requirements of ADA for public agencies, which include accessible elevated, and ground level events.
- As a rule, play equipment must be from the standard manufacturer's equipment. However, different equipment may be installed as approved by the City.

- Alternative play equipment such as climbing boulders or concrete animal sculptures may be used as approved by the City.
- Playground equipment components should be specified of durable construction with:
    - Five inch (5”) primary post size minimum.
    - UV stabilized rotomold polyethylene.
    - All plastic components should be constructed with UV inhibitors for longevity.
    - Hardware should be of an uncommon head type or have an insert/cover for vandal deterrent purposes.
    - Ropes should be constructed of nylon with a steel core.
- The design and equipment should include a variety of play elements that encourage:
    - Swinging
    - Spinning
    - Hand over hand and side to side climbing
    - Balance challenges
    - Overhead activities
    - Sliding
    - Sensory development
    - Crawling
    - Imagination
    - Adventure
- The City and District encourages unique innovative designs that provide increased play value.
- Play equipment design should consider durability and the long-term maintenance requirements of the specific equipment, as well as the potential for vandalism and graffiti.
- All playgrounds shall have nighttime security lighting to prevent vandalism.
- All proposed play equipment is expected to be in place for a minimum of twenty (20) years.
- Wooden play equipment is not allowed.
- Swings should be provided as a standard element in all play areas.
- Play area themes may be considered where the budget is not adversely affected by the introduction of custom designed elements.

Surfacing

- Engineered wood fiber safety surfacing is not allowed. Poured in place, rubberized safety surfacing (no tiles) shall be used in the portions of the playground intended to be accessible to person with disabilities.
- Poured-in-place rubberized safety surfacing shall meet the following requirements in order to improve the durability and minimize replacement and/or repair costs:
  - Minimum 5 year warranty on material and installation.
  - Binder used for the surfacing shall be aliphatic type or superior.
  - A protective coat/sealant shall be provided as part of the initial installation to help protect the surface from elements.
- The poured-in-place surfaces should be designed to:
  - Minimize the amount of poured-in-place surfaces except for areas required by ADA accessibility and safety fall zones compliance.
  - Adjust the depth of the subsurface and softness of the poured-in-place to the needs of the play equipment. Minimize the depth/softness outside of the fall zones in order to minimize wear and tear of the surface.
  - Use a combination of standardized colors (such as 25% black, 25% green, and 50% tan), rather than a single solid color, so that color mixtures can be adjusted to match faded colors in the future for patching and repairs.
  - If the surface has shapes or patterns, use simple geometric shapes that are easy to patch. Avoid any patterns or shapes under high-traffic areas like swings and the base of slides since these areas are patched frequently.

- end -

Cypress Recreation and Park District
Existing Park Facilities

The Cypress Recreation and Park District operates 22 park sites encompassing approximately 97 acres The City classifies parks as community, neighborhood, or mini facilities based on size. Each park classification has a general area of service and typical park facilities as described below.

Park Type	Typical Size	Service Area	Typical Facilties
Community	10 acres	1 to 1 1/2 miles	Athletic fields, picnic area, community centers
Neighborhood	3 to 5 acres	1/2 mile	Tot lots, public facilities, multi-use court
Mini	Less than 1 acre	1/4 mile	Tot lot, open space

	Park	Acres	Number of Playgrounds
Community Parks	Arnold Cypress Park	14.55	1
	Lexington Park	8.80	1
	Oak Knoll Park	22.00	2
Neighborhood Parks	Baroldi Sycamore Park	1.50	1
	Cedar Glen Park	2.54	1
	Civic Center Green/Tennis	3.65	0
	Darrell Essex Park	2.50	1
	Eucalyptus Park	2.50	1
	Evergreen Park	5.06	1
	Hettinga / Manzanitia Park	4.04	1
	Mackay Park	2.90	1
	Maple Grove North Park	3.14	1
	Maple Grove South Park	1.87	1
	Nature Park	5.75	1
	Peppertree Park	2.61	1
	Pinewood Park	2.40	1
	Rosen / Acacia Park	1.00	1
	Veterans Park	6.40	1
	Willow Park	2.90	1
Mini Parks	Damron Park	0.45	1
	Laurel Park	0.17	0
	Vessels Park	0.60	1

CITY OF CYPRESS

CITY COUNCIL REPORT

City Council Regular **10.**

FROM: Jeff Draper, Director of Recreation and Community Services

DATE: 09/08/2026

SUBJECT: **Baroldi Sycamore Park Outreach Efforts**

RECOMMENDATION

Receive and file the Baroldi Sycamore Park outreach results.

DISCUSSION

In May 2026, the City Council awarded a contract to MIG for Public Engagement and Professional Design Services for the Baroldi Sycamore Park Expansion. The contract consisted of four phases to be completed before construction could take place. The four phases include:

- Phase 1: Project Initiation and Site Assessment
- Phase 2: Community Outreach and Concept Development
- Phase 3: Master Planning
- Phase 4: Final Design and Construction Documents

The Baroldi Sycamore Park Expansion is in the first half of phase 2 with MIG facilitating two in-person community outreach events and conducting an online survey to obtain community input to help guide the future design of the park.

The outreach included the July 10 Concert on the Green, where 35 people provided feedback, and a community meeting at Baroldi Sycamore Park on August 4, which had more than 60 people in attendance. An online survey was also conducted from July 30 through August 12, with approximately 211 participants. Outreach efforts were promoted through the City's website, social media, and direct mailers to more than 500 residences in the vicinity of the park.

Overall, the outreach demonstrated support for expanding the park while maintaining its existing neighborhood character. The three strongest themes were shade, walking paths, and green space.

Additional common themes included preserving mature trees, providing family-oriented and flexible recreational opportunities, and addressing safety, cleanliness and accessibility. The primary areas of differing opinion involved parking and restrooms, with nearby residents expressing greater concerns about increased activity, traffic and neighborhood parking, while participants traveling farther generally placed greater value on restrooms.

As part of Phase 2, MIG presented the outreach results to the Recreation and Community Services Commission on August 18, 2026, who provided comments and feedback regarding the community input and priorities identified through the outreach process. MIG is now seeking input from the City Council before entering the second half of Phase 2 with the development of conceptual site plans.

Unless otherwise directed, based on the outreach results, Recreation and Community Services Commission's feedback, and input from City Council, MIG will continue with the second half of Phase 2 and develop three conceptual site plans that incorporate the community's priorities while exploring different approaches to parking, restrooms and recreational amenities. The overall goal is to use the new acreage to enhance the neighborhood park experience, while preserving the qualities the community already values at Baroldi Sycamore Park.

After development of the concept plans, the plans will be posted online for community feedback and MIG will present the concepts to the Recreation and Community Services Commission and City Council for review and direction on a preferred concept plan before moving to Phase 3 of the project.

BUDGET IMPACT

There is no fiscal impact associated with receiving and filing the community outreach results.

LEGAL REVIEW

The City Attorney has reviewed this staff report.

APPROVED BY: Shannon DeLong, City Manager

Attachments

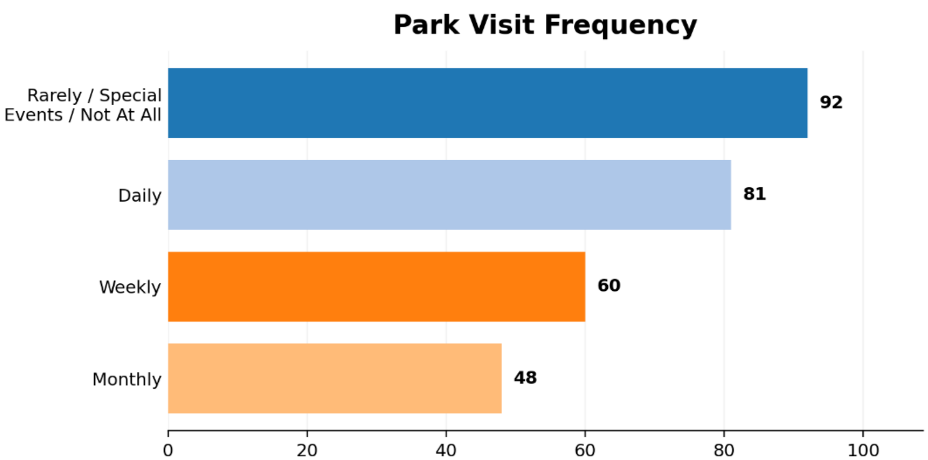
Summary of Outreach Efforts.

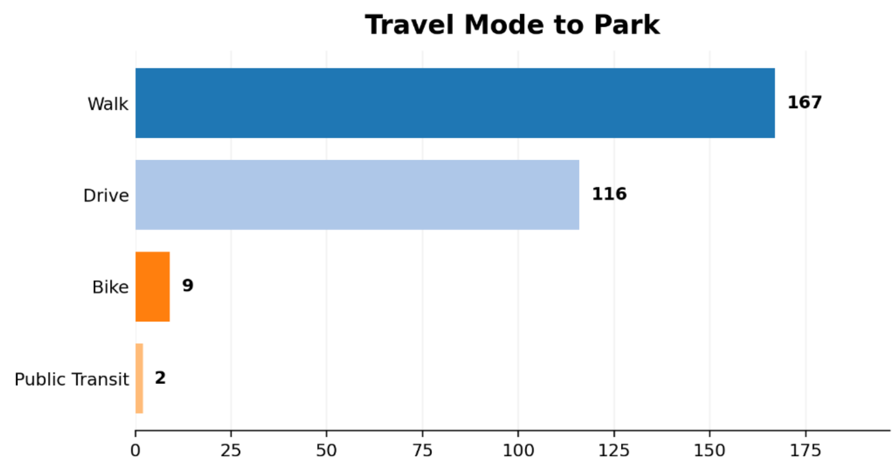
MIG Scope of Services

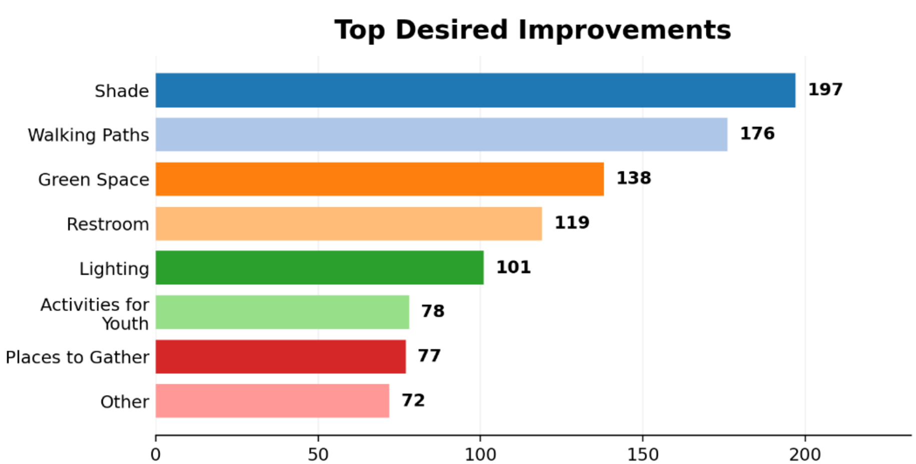
Baroldi Sycamore Park Expansion Project

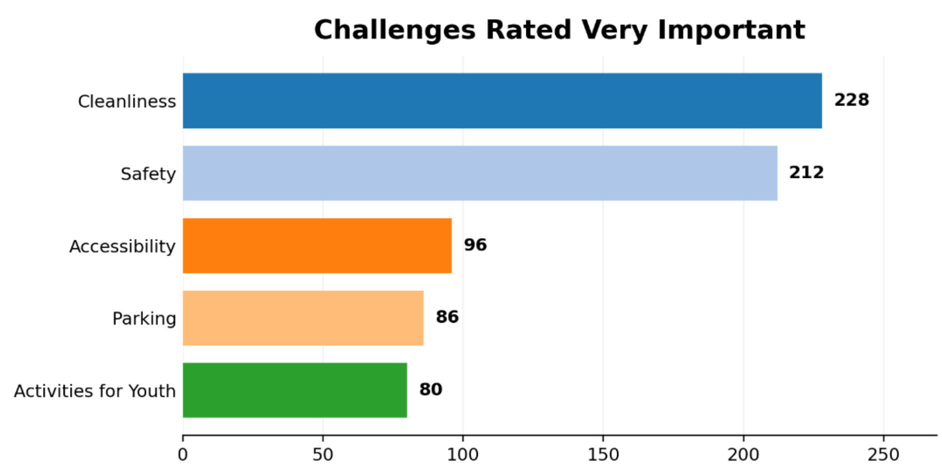
Community Engagement and Outreach Summary

Overall Summary of Findings









Overall Summary of Findings

- A Neighborhood Park First
- Shade and Trees and Green Space
- Walking and Connectivity
- Family-Oriented and Flexible Recreation
- Safety and Security
- Parking and Restrooms – Different Perspectives
- Sports Facilities vs. Non-Sports Uses

Overall Summary of Findings

The three strongest common themes communicated in the findings were a desire for:

- Shade (67%)
- Walking paths (58%)
- Green space (49%)

EXHIBIT "A"

SCOPE OF SERVICES

The Scope of Services will include the following:

Phase I: PROJECT INITIATION AND SITE ASSESSMENT

- Attend a project initiation meeting with City staff to confirm project goals, schedule, and communication protocols.
- Conduct site visit and field reconnaissance with City staff to document existing conditions and confirm opportunities and constraints of site.
- Perform site boundary survey and produce base topographic plan. Collect all pertinent data and information from City regarding the existing site improvements, City provided as-builts, utilities, drainage, soils, environmental factors, design standards, input from City staff, past community input and any other information that may affect preparation of the Conceptual Site Plans, and Construction Documents.
- Coordinate with City departments and relevant agencies to understand regulatory requirements and potential design limitations.

Phase 1 Meetings:
- Project Initiation
- Site Visit

Phase 1 Deliverables:
- Alta/NSPS Boundary and Topographic Plan
- Existing Conditions Summary

Phase II: COMMUNITY OUTREACH AND CONCEPT DEVELOPMENT

- Facilitate two (2) in-person public outreach community workshops, three (3) stakeholder meetings (two Commission meetings and one City Council meeting), and one online survey to collect input on desired park uses and features. MIG will provide printed outreach materials and will manage online survey platform. City will provide distribution of mailers/notices; MIG will prepare notices per City RFI.
- Based on the community input, site review, staff input, and gathered information, MIG will develop three Conceptual Site Plans for the park, that will blend the new park space with the existing park. The concepts will include all elements and amenities as described in the RFP, but not limited to: passive recreation areas, ADA compliant prefabricated restroom building, parking lot with required ADA compliant spaces and access, and hardscape, landscaping, irrigation and lighting throughout the park.
- Prepare a recommendations memorandum regarding site planning considerations including removal and/or reuse of the existing residential structure, parking layout, and restroom facility.

- Present three Conceptual Site Plans to City staff, the Recreation and Community Services Commission, and the City Council for review for feedback and direction to inform the preferred Site Concept Plan.
- Based on City staff input and comments on the Conceptual Site Plans will refine the concepts into a single preferred Conceptual Site Plan with preliminary opinion of probable cost (OPC) for approval.

Phase 2 Meetings:

- 2 Community Outreach Meetings
- 3 Stakeholder Meetings
- Present three Conceptual Site Plans

Phase 2 Deliverables:

- Online Survey Results
- Conceptual Site Plans (3)
- Recommendations Memo
- Preferred Conceptual Site Plan with OPC

Phase III: MASTER PLANNING

- Prepare a detailed park master plan based on the approved preferred Conceptual Site Plan, including layout, amenities, grading, hardscape, landscape, irrigation, and sustainable design features.
- Incorporate green infrastructure and water quality measures into the design.
- Develop a phasing plan for park improvements, updated OPC, and implementation strategies.
- Present final Master Plan to City staff, the Recreation Community Services Commission, and the City Council for final approval.
- To better communicate the proposed park elements and site lines of the final concept site plan, a series of static and dynamic visualization tools will be employed for this project. This begins with a detailed digital model that will become the foundation for concept plan refinement. From that model, various views and angles can be explored to illustrate important considerations for proposed park elements. Those views will then be enhanced, using post processing techniques in supporting software platforms to better articulate the feeling and character of those spaces. Lastly, a fly-through animation will be produced to tell the complete story of the design of the park.
- Detailed Digital Model
- A detailed digital model, built in SketchUp, will be the foundation for all the rendering tasks. Differing styles and model elements can be used at different stages of the process to ensure graphic representation of the concept plan align with commensurate level of refinement. Key considerations for the functionality of the model will be based on the ability to interchange various proposed park elements with ease.
- 3D Renderings and Photo Simulations
- Building from the digital model, a wide range of vantage points can be selected to illustrate the various aspects of the proposed park elements. Once key views, which best articulate

the overall vision or highlight specific design elements, are selected, additional detail and refinement will be made in both SketchUp and supporting software platforms.

- The digital model base can then be paired with photographs taken from the site to provide 'before and after' scenarios from which the view can highlight proposed user experiences.
- Fly Through Animation
- Animation within the fly through will be implemented to better communicate the final look and feel of the park design. A lower-quality draft animation will first be produced to ensure that the story has been achieved, prior to completing the final animation.

Phase 3 Meetings:

- Present final Master Plan

Phase 3 Deliverables:

- Park Master Plan
- Phasing Plan and Strategies, Updated OPC
- 3d Color Renderings (5 renderings)
- One (1) Video Fly Through

Phase IV: FINAL DESIGN AND CONSTRUCTION DOCUMENTS

- Based on the City approved site and architectural conceptual development plans and opinion of probable cost, MIG will prepare construction drawings and technical specifications for the proposed improvements in sufficient detail, for the City to approve and for contractor bidding. MIG will hold virtual bi-weekly coordination meetings with City staff during active design and PS&E phases. MIG will coordinate with geotechnical, environmental, and utility consultants as well as with existing utility providers (Golden State Water, Southern California Gas, Southern California Edison, etc.).
- Perform geotechnical soils testing and produce a report with recommendations for pavements, structures, and site improvements. The survey will identify suspect materials and provide documentation to inform demolition planning; however, it is not intended to be a comprehensive pre-demolition survey. Phase II Environmental Site Assessment (ESA) and any required Supplemental Pre-Demolition Survey will not be included in the base scope and shall be addressed during construction by the Contractor, as required.
- Develop technical specifications for 60%, 90% and 100% construction document submittals. Specifications shall be coordinated with City of Cypress Brown Book specifications and Standard Specifications for Public Works Construction "Greenbook".
- Preparation of a Non-Priority Water Quality Management Plan (NP-WQMP). With the assumption that the site redevelopment will be less than 5,000 square feet of impervious area, a Non-Priority Water Quality Management Plan (NP-WQMP) will be prepared for the site.
- Assist with permitting and ensure compliance with applicable local, regional, state, and federal regulations. Permit fees and agency fees are excluded and shall be paid by the City. MIG will include up to two (2) City permit submittal cycles as part of the Base Scope.
- MIG will prepare complete PS&E package submittals at 30%, 60%, 90%, and 100% (final) stages. MIG will coordinate all disciplines and maintain a comment/response matrix to ensure all City and Construction Management Firm comments are fully addressed.

Construction documents will be prepared using the City's standard title block in AutoCAD 2022 and will be included:

- Title Sheet and General Notes
- Demolition Plan
- Grading, Drainage, and Utility Plans
- LID / BMP Plans (if applicable)
- Irrigation and Planting Plans
- Hardscape and Circulation Plans
- Amenities Plan and Layout
- Electrical and Lighting Plans
- Pre-Fabricated Restroom Building Plans
- Architectural Plans if Applicable
- Structural Plans (shelters/structures)
- Construction Details
- Develop opinion of probable construction costs (OPC) for 30%, 60%, 90% and 100% construction document submittals.
- Incorporate comments received from the 30%, 60%, 90%, and 100% review and meet with City staff and Construction Management Firm to review submittal comments.

Phase 4 Meetings:

- 30%, 60%, 90%, and 100% submittal comment review with City and Construction Management Firm (4 meetings)
- Bi-weekly coordination meetings with City staff during active design and PS&E phases (virtual unless otherwise requested) Up to a maximum of (12) meetings.

Phase 4 Deliverables:

- Geotechnical report
- Technical specifications for 60%, 90%, and 100% submittals
- PS&E package for 30%, 60%, 90%, and 100% submittals
- Water Quality Management Plan
- Digital files of all documents listed above