

CITY OF DALY CITY

Regular Meeting - CITY COUNCIL

AGENDA

Monday, February 23, 2026 - 7:00 PM

City Hall Council Chambers – 2nd Floor
City Hall 333 – 90th Street
Daly City, CA 94015

To watch the live telecast:

<https://www.youtube.com/@DalyCityGov/streams>, <https://www.dalycity.org/agendas>, or Comcast Ch. 27

PUBLIC PARTICIPATION

There are three ways to submit public comments: (1) submit written comments by meeting day, (2) submit written comments during the meeting, and (3) attend the meeting in person.

1. To submit written comments by meeting day, please email cityclerk@dalycity.org and include “Public Comment” in the subject line. All written comments received by 4:00 pm on meeting day will be provided to the City Council prior to the meeting.

Please note: Any emailed comments received after 4:00 p.m. on the meeting date are not guaranteed to be received by the City Council prior to the meeting. Comments are not read aloud into the record.

2. During the meeting, you may visit www.dalycity.org/agendas to submit comments using the Public Comment form to address the City Council on a specific item, or during the public comment period, and such comments are delivered to the City Council and City Staff during the meeting, and may be read into the record at the time they are received.

3. To speak at the meeting in person, please complete a Speaker Card located at the entrance to the Council Chamber and submit it to a Staff Member as early in the meeting as possible.

Persons with disabilities who require auxiliary aids or services in attending or participating in this meeting should call the office of the City Clerk at (650) 991-8078 as soon as possible.

PLEDGE TO THE FLAG:

CALL TO ORDER

The City of Daly City acknowledges that we are on the ancestral lands of the Ramaytush (rah-my-toosh) Ohlone (O-lon-ee) peoples. We recognize their enduring connection to this region and honor their history, culture, and contributions. As the Indigenous protectors of this land, we affirm their sovereign rights as the original inhabitants of this land and pay respects to the Ancestors, Elders, and Relatives of the Ramaytush Ohlone peoples.

ROLL CALL:

AVAILABILITY OF PUBLIC RECORDS:

All public record to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the City Clerk's Office, City Hall located at 333 90th Street, Daly City, CA during normal business hours, at the same time that the public records are distributed or made available to the legislative body.

APPROVAL OF MINUTES:

1. Regular Meeting of February 9, 2026

APPROVAL OF AGENDA:

2. Regular Meeting of February 23, 2026

ORAL COMMENT:

NOTE: Speakers are limited to two minutes, unless modified by the Mayor.
The Council cannot take action on any matter raised under this item.

CONSENT AGENDA

All items listed on the Consent Agenda are considered to be routine and may be approved by one roll call vote of the City Council. There shall be no separate discussion of the matters on the Consent Agenda unless requested by a member of the City Council. If discussion is required, that item will be removed from the Consent Agenda and will be considered separately at the end of the Agenda.

Resolutions:

3. Set Time and Place for a Public Hearing to Consider the Zone Change ZC 04-24-16507 - Amendments to the Zoning Map Creating a New Commercial Cannabis Non-Retail (-CCNR) Combining District and Rezoning Parcels to be Included Within It **(Set Time: 3/23/26)**
4. Authorize Pilot Program Allowing City-Permitted Taxicabs to Accept Transportation Network Company (TNC) Referred Trips Through the CURB Platform as a Pilot Program
5. Accept Resolution of \$250,000 in Cannabis Equity Grants Program (CEG) Phase 2 Funds from the Governor's Office of Business and Economic Development (GO-Biz), Appropriate the Funds, and Authorize the City Manager or Designee to Execute and Administer the Grant Agreement

Check Registers:

6. Check Registers for the Month of January 2026

END OF CONSENT AGENDA

PUBLIC HEARINGS:

7. Introduction of an Ordinance Amending Chapter 8.16 of the Daly City Municipal Code Re: Recovery of Attorney's Fees for Nuisance Abatement

STAFF: Rose Zimmerman

RECOMMENDATION: Open/Close Hearing
Motion for City Attorney to Read by Title Only
Councilmember Introduce Ordinance

COMMUNICATIONS:

8. Legacy Business Nominations — Third Installment (2026)

STAFF: Maybelle Manio

RECOMMENDATION: Adopt Resolution by Roll Call Vote

9. Four Lot Subdivision at 933-969 Crocker Avenue – Minor Subdivision SUB-07-24-16596 and Design Review DR-08-24-16609

STAFF: Sam Fielding

RECOMMENDATION: Adopt Resolution by Roll Call Vote

RESOLUTIONS:

10. Authorize a WIFIA Loan Agreement with the Daly City Joint Powers Financing Authority (DCJPFA), Daly City, and the Environmental Protection Agency and a Financing Agreement with the DCJPFA for the financing of the Vista Grande Drainage Basin Improvement Project and Authorizing the City Manager (or District Manager), or Designee to Execute and Deliver Such Agreements and Related Documents and Approving Related Agreements and Actions.

STAFF: Joshua Cosgrove, Rose Zimmerman

RECOMMENDATION: Adopt Resolution by Roll Call Vote

ORDINANCES:

11. Second Reading, Ordinance No. 1487, Adding Chapter 5.96 to the Daly City Municipal Code to Establish an Entertainment Zone

STAFF: Rose Zimmerman

RECOMMENDATION: Adopt Ordinance by Roll Call Vote

APPOINTMENTS: Board/Commission Membership Committee Appointments

REPORTS:

12. Council Committee
13. City Council
14. Staff

ADJOURNMENT:

CITY OF DALY CITY
MINUTES – REGULAR MEETING – CITY COUNCIL
FEBRUARY 9, 2026

Visit <https://www.youtube.com/@DalyCityGov/streams> to view the City Council meeting

CALL TO ORDER:

Mayor Sylvester called the special meeting to order at 7:00 P.M. and read the City's Land Acknowledgement:

The City of Daly City acknowledges that we are on the ancestral lands of the Ramaytush (rah-my-toosh) Ohlone (O-lon-ee) peoples. We recognize their enduring connection to this region and honor their history, culture, and contributions. As the Indigenous protectors of this land, we affirm their sovereign rights as the original inhabitants of this land and pay respects to the Ancestors, Elders, and Relatives of the Ramaytush Ohlone peoples.

ROLL CALL: Councilmembers Present
Glenn R. Sylvester, Mayor
Teresa G. Proaño, Vice Mayor
Dr. Roderick Daus-Magbual
Pamela DiGiovanni
Juslyn C. Manalo

Staff Present
Thomas J. Piccolotti, City Manager
Rose Zimmerman, City Attorney
K. Annette Hipona, City Clerk

APPROVAL OF MINUTES:

Regular Meeting of January 26, 2026

It was moved by Councilmember Daus-Magbual, seconded by Councilmember Manalo and carried to approve the minutes of January 26, 2026, as amended.

APPROVAL OF AGENDA:

It was moved by Councilmember DiGiovanni, seconded by Councilmember Daus-Magbual, and carried to approve the agenda.

ORAL COMMENT:

Emma Mapa expressed her gratitude to the Council and Police staff for assigning an officer to monitor Dorchester Drive and for issuing citations to speeding vehicles along John Daly Boulevard. Emma requested the installation of cameras and improved lighting in the area, as well as assistance with her PG&E bill.

Note on Public Comments:

To provide public comments, members of the public have the option to- 1) attend in person, 2) email the City Clerk, or 3) submit comments through the public comment portal on the City's website. Persons with disabilities who require auxiliary aids or services in attending or participating in this meeting are instructed to call the office of the City Clerk at 991-8078 prior to the meeting.

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Jim Laramie raised concerns about the detrimental effects of large tree roots on the streets and sidewalks along W. Cavour Street. He noted that these roots are causing drainage issues during heavy rains and leading to sidewalk buckling, which ultimately results in expensive street repairs. Jim requested help with the removal of trees located in front of 55 and 61 W. Cavour St.

CONSENT AGENDA:

It was moved by Councilmember DiGiovanni, seconded by Councilmember Sylvester and carried to approve the consent agenda, with the exception of items #4 and 13.

Communications:

Accept QTR 4 Investment Report

Accept the Fiscal Year 2025 Annual Comprehensive Financial Report (ACFR)

Interim Director of Finance and Administrative Services Tim Nevin provided the staff report recommending the acceptance of the ACFR. Nevin clarified questions regarding identified deficiencies linked to internal controls discussed in the report by auditors Maze & Associates.

It was moved by Councilmember DiGiovanni, seconded by Vice Mayor Proaño and carried to accept the report.

Resolutions:

Amend Traffic Regulations to: (1) Extend the existing 4-ft red zone on the south side of the driveway at 7535 Mission Street to 6-ft; and (2) remove the existing 3.5-ft red zone between the two parking spaces in front of 7535 Mission Street and 7555 Mission Street (TSR 26/22)

Resolution 26-15, Establishing Traffic Regulations

Approve Resolution Adopting Salary Schedules and Benefits for Miscellaneous/Unrepresented Employees

Resolution 26-16, Adopting Salary Schedule/Benefits For Miscellaneous/Unrepresented Employees

Approve Resolution Adopting Salary Schedules and Benefits for Executive Management Employees

Resolution 26-17, Adopting Salary Schedule And Benefits For Executive Management Employees

Accept and Appropriate Fiscal Year 2026 Mid-Year Operating and Capital Improvement Program Budget Adjustments

Resolution 26-18, Accepting And Appropriating Fiscal Year 2026 Mid-Year Operating Capital Improvement Program Budget Adjustments

Authorize the City Manager to Approve a Purchase Agreement with Altec for an Altec Model AT41ME Articulating Telescopic Aerial Lift Service Truck

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Resolution 26-19, Authorizing Execution Of A Purchase Agreement With Altec For An Altec Model AT41ME Articulating Telescopic Aerial Lift Service Truck

Authorize Agreement with the County of San Mateo for Participation in the Compost for Climate Solutions Program

Resolution 26-20, To Enter into a Memorandum of Understanding with the County of San Mateo for Participation in the San Mateo County Compost for Climate Solutions Program to Support Senate Bill 1383 Procurement Compliance

Set Time and Place for a Public Hearing to Consider Proposed Ordinance Amending Chapter 8.16 of the Daly City Municipal Code Re: Property Maintenance and Nuisance Abatement

Resolution 26-21, Setting Time And Place Of Public Hearing For Proposed Ordinance Amending Chapter 8.19 Of The Daly City Municipal Code Re: Property Maintenance And Nuisance Abatement (Hearing Date: February 23, 2026, Time: 7:00 P.M.)

Accept 2025 Mandated Fire And Life Safety Inspection Report

Resolution 26-22, Acknowledging North County Fire Authority Regarding The Inspection Of Certain Occupancies Required To Perform Annual Inspections In Such Occupancies Pursuant To Sections 13146.2 And 13146.3 Of The California Health And Safety Code

Approve Early Lease Renewal and Authorization to Execute a Lease Amendment for the Child Care Center at 280 92nd Street

Councilmember Manalo acknowledged how essential childcare is for the community by helping families thrive, noting that the Child Care Center on 92nd Street is utilized by many families in Daly City. Mayor Sylvester agreed on the necessity for more childcare services and noted that the County has plans in the pipeline regarding this issue.

It was moved by Councilmember Manalo, seconded by Councilmember DiGiovanni and carried to adopt the resolution.

Resolution 26-23, Approving An Early Lease Renewal And Authorizing Execution Of A Lease Amendment For The Childcare Center At 280 92nd Street

END OF CONSENT AGENDA

PUBLIC HEARINGS:

Public Hearing to Consider Adoption of an Entertainment Zone Ordinance Pursuant to State Law (SB 969)

Economic Development Specialist Maybelle Manio provided the staff report to adopt an ordinance mandated by state law to allow the City to activate entertainment zones that allow controlled outdoor alcohol consumption during City events. Adopting this proposed ordinance is necessary for Daly City to comply with SB 969 and safely activate public spaces during major events. The ordinance provides a framework that aligns with best practices statewide and requires a biennial review to assess its impacts.

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Manio addressed questions on the following: the origin of the ordinance, how an entertainment zone is activated and examples of when the ordinance would be utilized, whether an ordinance exists that similarly addresses cannabis consumption, the type of data collected to ensure successful implementation, age verification procedures at special events, types of alcohol that businesses can sell at events, steps for activating an entertainment zone and the process for approving a special event permit, the point of purchase for alcoholic beverages, and preventive measures for underage drinking.

Councilmember Manalo recognized Senator Wiener for authoring SB 969 in conjunction with San Francisco's major city events and the ordinance being used as an economic development tool. Mayor Sylvester acknowledged the ordinance as an added layer of security to assist the City, while also addressing the challenges faced during public events.

Mayor Sylvester opened the public hearing. There were no public speakers.

It was moved by Councilmember DiGiovanni, seconded by Vice Mayor Proaño and carried to close the hearing.

It was moved by Councilmember Manalo, seconded by Councilmember DiGiovanni and carried for the City Attorney to read the ordinance by title only.

Councilmember Manalo introduced the ordinance.

Ordinance 1487, Adding Chapter 5.96 to the Daly City Municipal Code to Establish an Entertainment Zone Program Pursuant to California Business and Professions Code Sections 23039.5, 23357, 25690, 25691 & 25692 (As Amended by SB 969)

Public Hearing on Issuance of Tax-Exempt Bonds for 493 Eastmoor Apartments and Resolution Approving the Issuance of Bonds

Acting Director of Economic and Community Development Michael Van Lonkhuysen provided the staff report for the TEFRA hearing and the resolution to approve the issuance of bonds for a 72-unit multifamily housing project at the designated site. Van Lonkhuysen also addressed questions regarding the funding amount from Daly City for the project, as well as the funding from HEART.

Mayor Sylvester opened the public hearing. There were no public speakers.

It was moved by Councilmember DiGiovanni, seconded by Councilmember Daus-Magbual and carried to close the hearing.

It was moved by Councilmember Manalo, seconded by Councilmember DiGiovanni and carried by unanimous roll call vote to adopt the resolution.

Resolution 26-24, Approving the Issuance by the California Statewide Communities Development Authority of Exempt Facility Bonds for a Qualified Residential Rental Project for 493 Eastmoor

APPOINTMENTS:

It was moved by Councilmember Manalo, seconded by Councilmember Daus-Magbual and carried to appoint Liezel Chan to the Women's Commission.

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Vice Mayor Proaño informed the Council of an upcoming appointment.

It was moved by Councilmember Manalo, seconded by Councilmember DiGiovanni and carried to reappoint Angella Logarta to the Library Board of Trustees.

REPORTS:

Council Committee

Ad Hoc Committee - City Commissioners (Sylvester/ Proaño)
Illegal Dumping Committee (Proaño /Sylvester)
Department of Emergency Management (Sylvester)

City Council

Vice Mayor Proaño reported attendance at the following events: the groundbreaking at Marchbank Park with Sacred Heart Cathedral, Mayor Sylvester, Councilmembers Manalo and Daus-Magbual, City Manager Piccolotti, Assistant to the City Manager Ramos, Director Cosgrove, and City staff; a celebration at Holy Cross Cemetery honoring the Hello Girls, American bilingual women who were switchboard operators during WWI, helping with the war effort, wherein the women finally received recognition and veteran benefits; the Daly City Host Lions event to collect eyeglasses and hearing aids for those in need, along with Councilmember Manalo; the Daly City Host Lions Club's Student Speaker Contest, where City Manager Piccolotti served as one of the judges, and where Maria Skaf won the competition and will represent the City at the next level; and Skyline College's Sunset Soiree along with over 200 community members, Dr. Daus-Magbual, Councilmember Manalo and City Manager Piccolotti.

Councilmember Manalo reported attendance at the following events: the Marchbank Park groundbreaking with Sacred Heart Cathedral, calling the state-of-the-art field the largest private-public partnership in Daly City; the Crab Feed with the Recreation Department, to support a great cause - the Build A Dream program. Manalo reported that community members from FAREPA are interested in collaborating with the City to provide a free workshop for first-time homebuyers. Manalo also noted AMR's interest in partnering with Daly City to offer CPR training for the North County community. Manalo commended the City for its ongoing work with the County on climate resiliency and efforts to reduce greenhouse gas emissions. Manalo expressed pride in the decision to utilize City-owned land for affordable childcare services, which will be facilitated by Peninsula Family Services, acknowledging the Peninsula Division of the League of California Cities, which Manalo sits on.

Councilmember Daus-Magbual recognized Jefferson High School for collaborating with hip-hop MC LaRussell on his "I'm From the Bay" music video, congratulating LaRussell for his performance during the Super Bowl and for signing with Roc Nation. Dr. Daus-Magbual expressed pride in the students from Jefferson and Westmoor High School and neighboring schools for coming to City Hall to exercise their First Amendment to rally against ICE, showing political engagement and empathy, and reported on talks around a statewide walkout among college and high school students concerning the issue. Dr. Daus-Magbual announced the annual scholarship program by the Daly City Colma Chamber of Commerce and encouraged students to apply for the scholarships before the February 13th deadline.

Councilmember Manalo expressed pride in LaRussell's video, encouraging everyone to watch his video featuring Jefferson High School and its students and commending the video for showcasing the youth, culture, and talent in the Bay Area. Manalo also recognized local record label Empire.

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Councilmember DiGiovanni reported attendance at the Crab Feed for the Build A Dream scholarship program, recognizing the volunteers, the Recreation staff, including Opal Fuller and Denise Brown, the DCPLA's Clayton Koo, and members of the community who contributed gift baskets. DiGiovanni recognized the Boy Scouts and their troop leader who were present in the audience, and spoke about the importance of youth, role models, and civic engagement.

Mayor Sylvester reported attendance at the following events: the Marchbank Park groundbreaking ceremony, recognizing City Manager Piccolotti for his leadership on the project; and the Crab Feed to support the Build A Dream program, which provides scholarships for those in need, thanking staff who worked on the event. Sylvester acknowledged Adonis Marcelino (aka Adonis Eats) as an important member of the community. The Mayor also acknowledged the Scouts and their troop leader who were present and requested their troop leader to say a few words.

The Scout Leader for Troop 58 spoke about the significance of civic engagement and volunteerism, highlighting the valuable advice that scouts receive from their scout leaders.

ADJOURNMENT:

Mayor Sylvester adjourned the meeting at 8:54 P.M. in memory of Stephen Matthew David, Cathie Shubunka Cadigan, and Shane Tyler Hart.

Approved as submitted, this 23rd
day of February 2026.
Glenn R. Sylvester
Mayor

City Clerk



City Council Meeting Agenda Report

Item # _____

Meeting Date: February 23, 2026

Subject: Setting Time and Place for a Public Hearing to Consider the Zone Change ZC 04-24-16507 - Amendments to the Zoning Map Creating a New Commercial Cannabis Non-Retail (-CCNR) Combining District and Rezoning Parcels to be Included Within It

Recommended Action

Staff is requesting that the City Council set the time and place for a public hearing to consider Zone Change ZC 04-24-16507.

Background

The City of Daly City proposes amendments to the Zoning Map creating a new Commercial Cannabis Non-Retail (-CCNR) combining district and rezoning parcels fronting Mission Street between Crocker Avenue and Templeton Avenue, fronting Geneva Avenue between Talbert Street and Bayshore Boulevard, and fronting Geneva Avenue between Castillo Street and Calgary Street into the new combining district.

Summary/Conclusion

Staff recommends that the City Council set March 23, 2026, at 7:00 p.m. as the date and time for a public hearing to consider Zone Change ZC 04-24-16507.

Staff is available to provide any additional information desired by the Mayor or Council members.

Respectfully submitted,

Acting Director

Department of Economic and Community Development



City Council Meeting Agenda Report

Item # _____

Meeting Date: February 23, 2026

Subject: Authorization of a Pilot Program Allowing City-Permitted Taxicabs to Accept Transportation Network Company (TNC) Referred Trips Through the CURB Platform as a Pilot Program

Recommended Action

Staff recommends that the City Council adopt a resolution authorizing an 180-day pilot program allowing Daly City-permitted taxicabs to accept Transportation Network Company (TNC) referred trips through the CURB platform.

Discussion

Daly City regulates taxicab operations under Chapters 5.72 and 5.84 of the Municipal Code. Taxicab operators must hold certificates of public convenience and necessity, vehicles must be permitted by the Police Department, and drivers must satisfy background, safety, and insurance requirements. Taxicabs are required to charge fares established by the City Council.

Curb Mobility, LLC has proposed a pilot program that would allow TNC platforms, such as Uber or Lyft, to refer certain ride requests to licensed Daly City taxicabs through the CURB dispatch system. Participation would be voluntary for City-permitted taxi companies and drivers. For referred pilot trips only, fares would be determined by the TNC's upfront pricing model rather than the City-approved taximeter rate. All other taxi trips would continue to be charged in accordance with Council-approved meter rates.

Because the Municipal Code requires taxicabs to charge Council-approved fares, the proposed resolution includes a narrowly tailored, temporary exception to the fare provisions of Chapters 5.72 and 5.84 applicable solely to pilot trips. No amendment to the Municipal Code is proposed. All other permitting, insurance, safety, and enforcement requirements remain unchanged. CURB functions only as a dispatch and technology platform and does not license drivers or operate transportation services. TNCs are regulated at the state level by the California Public Utilities Commission (CPUC), while taxicabs remain locally regulated.

The pilot framework provides an opportunity to evaluate operational impacts before considering any long-term authorization. At the conclusion of the pilot period, staff will return to the City Council with an assessment of overall program performance, including service reliability, driver participation, public feedback, safety considerations, and administrative impacts. The City Manager may approve a one-time administrative extension of up to 180 additional days if necessary to complete this evaluation.

Fiscal Impact

There is no direct fiscal impact associated with approval of the pilot program. The City is not increasing tax rates or modifying its business license structure. No amendment to the business license ordinance is proposed or required.

City Council Agenda Report

Subject: Authorization of a Pilot Program Allowing City-Permitted Taxicabs to Accept
Transportation Network Company (TNC) Referred Trips Through the CURB Platform Meeting
Date: February 23, 2026 Page 2 of 2

Summary/Conclusion

Staff recommends that the City Council approve the proposed CURB pilot program. This program would permit City-approved taxicabs to participate in app-based ride referrals in a controlled and time-limited manner, while still maintaining the City's regulatory authority.

Staff is available to provide any additional information requested by the Mayor or Councilmembers.

Respectfully submitted,



Rose Zimmerman
City Attorney



Leilani Ramos
Assistant to the City Manager

Attachment: Draft Resolution

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DALY CITY AUTHORIZING A 180-DAY PILOT PROGRAM ALLOWING CITY-PERMITTED TAXICABS TO ACCEPT TRANSPORTATION NETWORK COMPANY (TNC) REFERRED TRIPS THROUGH THE CURB PLATFORM AND APPROVING A LIMITED TEMPORARY EXCEPTION TO THE TAXICAB FARE PROVISIONS OF CHAPTERS 5.72 AND 5.84 OF THE DALY CITY MUNICIPAL CODE

WHEREAS the City of Daly City regulates taxicab operations pursuant to Chapters 5.72 and 5.84 of the Daly City Municipal Code to protect the public health, safety, and welfare; and

WHEREAS Chapters 5.72 and 5.84 require taxicabs operating within the City to charge fares approved by the City Council; and

WHEREAS, Curb Mobility LLC has proposed a pilot program allowing Transportation Network Companies (TNCs) to refer to certain ride requests to City-permitted taxicabs through the CURB dispatch platform; and

WHEREAS, the proposed pilot would allow participating taxicabs to charge TNC-determined upfront fares for referred trips, which differs from the city-approved taximeter rate; and

WHEREAS the City Council finds that a time-limited pilot program with a narrowly tailored temporary fare exception is in the public interest and will allow evaluation of operational impacts prior to consideration of any permanent authorization.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Daly City does hereby resolve as follows:

1. Pilot Authorization. The City Council authorizes an 180-day pilot program allowing City-permitted taxicabs to accept TNC-referred trips through the CURB platform.
2. Limited Temporary Fare Exception. For the duration of the pilot program, participating taxicabs are granted a limited and temporary exception to the fare requirements of Chapters 5.72 and 5.84 of the Daly City Municipal Code solely for CURB-referred trips. For such pilot trips only, participating taxicabs may charge upfront fares determined by the referring TNC platform. All other trips shall continue to be charged in accordance with City Council-approved taximeter rates.
3. This exception shall automatically expire at the conclusion of the pilot period and any authorized extension unless further action is taken by the City Council.
4. Preservation of Existing Regulations. Except as expressly provided herein, all provisions of the Daly City Municipal Code governing taxicab operations remain in full force and effect. All participating drivers and vehicles must maintain valid City-issued permits and comply with all applicable requirements.
5. Administrative Extension. City Manager or designee, is authorized to approve a one-time

extension of the pilot program for up to an additional 180 days if necessary to complete evaluation of the program.

6. Future Authorization. Any continuation, modification, or permanent authorization beyond the pilot period and any authorized extension shall require further approval by the City Council.
7. Effective Date. This Resolution shall take effect immediately upon adoption.

I hereby certify the foregoing to be a true copy of a Resolution adopted by the City Council of
Daly City, California, at a regular meeting thereof held on the _____ day of _____
_____, 2026, by the following vote of the members thereof:

AYES, and in favor thereof, Councilmembers: _____

NOES, Councilmembers: _____

ABSENT, Councilmembers: _____

CITY CLERK OF THE CITY OF DALY CITY

APPROVED:

MAYOR OF THE CITY OF DALY CITY



City Council Agenda Report

Item # _____

Meeting Date: February 23, 2026

Subject: Resolution Accepting \$250,000 in Cannabis Equity Grants Program (CEG) Phase 2 Funds from the Governor's Office of Business and Economic Development (GO-Biz), Appropriating the Funds, and Authorizing the City Manager or Designee to Execute and Administer the Grant Agreement

Recommendation

Staff recommends that the City Council:

1. Adopt a Resolution accepting \$250,000 in Cannabis Equity Grants Program (CEG) Phase 2 funds from the Governor's Office of Business and Economic Development (GO-Biz);
2. Appropriate the \$250,000 in grant revenue and corresponding expenditures to the appropriate special revenue fund; and
3. Authorize the City Manager, or his designated staff, to execute the grant agreement and all related documents, and to administer and manage the grant program in accordance with grant requirements.

Background

The Cannabis Equity Grants Program for Local Jurisdictions is administered by the Governor's Office of Business and Economic Development (GO-Biz) to advance economic justice and reduce barriers to entry into the regulated cannabis marketplace for individuals most harmed by cannabis criminalization

Funding Request Type 2 supports assistance for local cannabis equity program applicants and licensees to gain entry to and successfully operate in the state's regulated cannabis marketplace.

Eligible uses of Funding Request Type 2 funds include:

- Providing grants, no-interest loans, or low-interest loans to local equity applicants and licensees for startup and ongoing costs;
- Providing or funding direct technical assistance, capped at 10 percent of the award; and
- Administration of the local equity program, capped at 10 percent of the award

The City of Daly City maintains a local Cannabis Equity Program consistent with State requirements and submitted a competitive Phase 2 application. The City has now been notified that it has been awarded \$250,000.

Discussion

The \$250,000 award will be used to:

- Provide direct financial assistance to eligible Daly City cannabis equity applicants and licensees to address startup costs, regulatory compliance, and operational stabilization;
- Deliver targeted technical assistance, including business planning, regulatory navigation, financial management, and compliance support; and

Resolution Accepting \$250,000 in Cannabis Equity Grants Program (CEG) Phase 2 Funds from the Governor’s Office of Business and Economic Development (GO-Biz), Appropriating the Funds, and Authorizing the City Manager or Designee to Execute and Administer the Grant Agreement

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- Support limited administrative costs necessary to manage and monitor the program in accordance with GO-Biz reporting requirements.

Under the grant terms, Funding Request Type 2 awards are disbursed in four installments: three 25 percent installments and a final 25 percent reimbursement upon documentation of expenditures.

The City will be required to submit periodic progress reports and annual reporting detailing fund disbursement, number of equity applicants and licensees served, aggregate demographic data, and program outcomes.

Authorization of the City Manager or designee to administer the grant will allow for timely execution of the grant agreement via GO-Biz’s electronic signature platform and ensure compliance with all programmatic and fiscal reporting requirements.

Fiscal Impact

The City will receive \$250,000 in grant revenue from GO-Biz. Upon Council approval, staff will:

- Establish a dedicated project account within the appropriate special revenue fund;
- Appropriate \$250,000 in revenue; and
- Appropriate corresponding expenditure authority in alignment with the approved GO-Biz Budget Spreadsheet.

Because the award does not exceed \$750,000, no matching funds are required. All funds must be expended within the grant term of April 1, 2026 through October 31, 2027.

Of the total \$250,000 award, \$23,335 is allocated for program administration to support City staff responsible for managing and administering the grant in compliance with GO-Biz requirements. These funds will offset staff time associated with grant oversight, fiscal tracking, reporting, and coordination of equity program services.

There is no additional impact to the General Fund beyond the staff time covered through the allowable administrative allocation within the grant award.

Conclusion

The Cannabis Equity Grants Program Phase 2 award of \$250,000 represents an important opportunity for Daly City to continue advancing its Cannabis Equity Program and to provide meaningful assistance to individuals disproportionately impacted by cannabis criminalization. Acceptance of these funds will allow the City to expand financial assistance and technical support for local equity applicants and licensees while ensuring compliance with State requirements.

The inclusion of \$23,335 for program administration ensures that the City can effectively manage the grant without creating additional strain on the General Fund. Approval of this item will

Resolution Accepting \$250,000 in Cannabis Equity Grants Program (CEG) Phase 2 Funds from the Governor's Office of Business and Economic Development (GO-Biz), Appropriating the Funds, and Authorizing the City Manager or Designee to Execute and Administer the Grant Agreement

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authorize the City Manager or designee to execute the grant agreement and administer the program in alignment with GO-Biz requirements and City Council policy direction.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Manio'.

Maybelle Manio
Economic Development Specialist

CITY OF DALY CITY
CHECK REGISTERS
FOR THE MONTH OF JAN 2026

01/05/2026

CHECKS ISSUED	-	#503442 TO #503458
CANCELLED CHECK	-	NONE
VOID CHECK	-	NONE

01/09/2026

CHECKS ISSUED	-	#503459 TO #503461
CANCELLED CHECK	-	NONE
VOID CHECK	-	NONE

01/12/2026

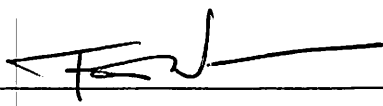
CHASE CREDIT CARD	-	N/A – Electronic Payment
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01/15/2026

CHECKS ISSUED	-	#503462 TO #503791
CANCELLED CHECK	-	NONE
VOID CHECK	-	NONE

01/30/2026

CHECKS ISSUED	-	#503792 TO #504128
CANCELLED CHECK	-	NONE
VOID CHECK	-	NONE

AUDITED  FINANCE DIRECTOR

APPROVED _____ CITY MANAGER

APPROVED _____ MAYOR

APPROVED _____ VICE MAYOR

ACCOUNTS PAYABLE CHECK RUN SUMMARY
FISCAL YEAR 2025-2026

	MONTH	TOTAL
2025	July	\$ 15,869,193.61
	August	7,883,983.08
	September	9,588,977.55
	October	13,531,502.31
	November	11,364,720.60
	December	11,223,835.70
2026	January	11,299,536.42
	February	
	March	
	April	
	May	
	June	
	TOTAL	\$ 80,761,749.27

JAN 2026 BREAK DOWN OF EXPENSES BY FUND

Fund	Total for Month	Total for Year	% of Total
General Fund	\$ 3,812,564.43	\$ 35,058,779.35	43.4%
Gas Tax Fund	941,207.46	6,637,846.26	8.2%
Utility/Enterprise Funds	6,545,764.53	39,065,123.66	48.4%
Total:	\$ 11,299,536.42	\$ 80,761,749.27	100.0%

CITY OF DALY CITY
CHECK REGISTERS
FOR THE MONTH OF JAN 2026

01/05/2026

CHECKS ISSUED	-	#503442 TO #503458
CANCELLED CHECK	-	NONE
VOID CHECK	-	NONE

01/09/2026

CHECKS ISSUED	-	#503459 TO #503461
CANCELLED CHECK	-	NONE
VOID CHECK	-	NONE

01/12/2026

CHASE CREDIT CARD	-	N/A – Electronic Payment
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01/15/2026

CHECKS ISSUED	-	#503462 TO #503791
CANCELLED CHECK	-	NONE
VOID CHECK	-	NONE

01/30/2026

CHECKS ISSUED	-	#503792 TO #504128
CANCELLED CHECK	-	NONE
VOID CHECK	-	NONE

AUDITED  FINANCE DIRECTOR

APPROVED _____ CITY MANAGER

APPROVED _____ MAYOR

APPROVED _____ VICE MAYOR

ACCOUNTS PAYABLE CHECK RUN SUMMARY
FISCAL YEAR 2025-2026

	MONTH	TOTAL
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	August	7,883,983.08
	September	9,588,977.55
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	November	11,364,720.60
	December	11,223,835.70
2026	January	11,299,536.42
	February	
	March	
	April	
	May	
	June	
	TOTAL	\$ 80,761,749.27

JAN 2026 BREAK DOWN OF EXPENSES BY FUND

Fund	Total for Month	Total for Year	% of Total
General Fund	\$ 3,812,564.43	\$ 35,058,779.35	43.4%
Gas Tax Fund	941,207.46	6,637,846.26	8.2%
Utility/Enterprise Funds	6,545,764.53	39,065,123.66	48.4%
Total:	\$ 11,299,536.42	\$ 80,761,749.27	100.0%

AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503442	01/05/2026	PRINTED	100672 AT&T	5,296.50			
503443	01/05/2026	PRINTED	102300 AT&T	14,538.00			
503444	01/05/2026	PRINTED	103222 COMCAST	169.76			
503445	01/05/2026	PRINTED	100417 FIRST CHOICE COFFEE SERVI	215.60			
503446	01/05/2026	PRINTED	103286 FRANCHISE TAX BOARD	182.59			
503447	01/05/2026	PRINTED	102086 HRMORNING	197.00			
503448	01/05/2026	PRINTED	100816 MISSIONSQUARE - 801447	152,338.12			
503449	01/05/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	7,197.61			
503450	01/05/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	48.73			
503451	01/05/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	298.39			
503452	01/05/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	6,537.92			
503453	01/05/2026	PRINTED	100413 PERS LONG TERM CARE PROGR	218.41			
503454	01/05/2026	PRINTED	103187 QUADIENT FINANCE USA INC	2,000.00			
503455	01/05/2026	PRINTED	102935 SAN MATEO COUNTY SHERIFF	112.50			
503456	01/05/2026	PRINTED	103699 SING QUAN	85.00			
503457	01/05/2026	PRINTED	100982 T MOBILE USA INC	600.00			
503458	01/05/2026	PRINTED	101183 WAVE BROADBAND	1,295.00			
17 CHECKS CASH ACCOUNT TOTAL				191,331.13	.00		

AP CHECK RECONCILIATION REGISTER

	UNCLEARED	CLEARED
17 CHECKS		
FINAL TOTAL	191,331.13	.00
** END OF REPORT - Generated by Lily Sun **		

AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503459	01/09/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	32,738.87			
503460	01/09/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	29.55			
503461	01/09/2026	PRINTED	101087 VSS INTERNATIONAL INC	197,888.34			
3 CHECKS				230,656.76	.00		
CASH ACCOUNT TOTAL							

AP CHECK RECONCILIATION REGISTER



		UNCLEARED	CLEARED
3 CHECKS	FINAL TOTAL	230,656.76	.00
** END OF REPORT - Generated by Mei Wu **			

AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: A11

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
1007	01/12/2026	WIRE	101113 JP MORGAN CHASE BANK NA	53,643.64			
			1 CHECKS	53,643.64	.00		
			CASH ACCOUNT TOTAL				

AP CHECK RECONCILIATION REGISTER

	UNCLEARED	CLEARED
1 CHECKS		
FINAL TOTAL	53,643.64	.00
** END OF REPORT - Generated by Lily Sun **		

City of Daly City, CA



AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503462	01/15/2026	PRINTED	102593 24/7 ROOTER & PLUMBING SE	2,000.00			
503463	01/15/2026	PRINTED	101962 ABACUS PRODUCTS INC	917.05			
503464	01/15/2026	PRINTED	101172 ABM BUILDING SOLUTIONS SA	52,011.29			
503465	01/15/2026	PRINTED	101816 ACC BUSINESS	3,856.80			
503466	01/15/2026	PRINTED	101816 ACC BUSINESS	528.85			
503467	01/15/2026	PRINTED	100331 ACTION SPORTS	131.25			
503468	01/15/2026	PRINTED	101341 ACTION TOWING	1,697.75			
503469	01/15/2026	PRINTED	103131 ADRIANA PRACIANO DE BESSA	480.00			
503470	01/15/2026	PRINTED	100332 AFSCME DISTRICT COUNCIL 5	5,307.42			
503471	01/15/2026	PRINTED	101090 ALAMEDA COUNTY SHERIFF'S	4,350.00			
503472	01/15/2026	PRINTED	100049 ALBERTSONS SAFEWAY	1,974.84			
503473	01/15/2026	PRINTED	100309 ALERT PEST CONTROL COMPAN	5,127.00			
503474	01/15/2026	PRINTED	101146 ALL CITY MANAGEMENT SERVI	7,276.82			
503475	01/15/2026	PRINTED	100474 ALLSTAR FIRE EQUIPMENT IN	6,583.06			
503476	01/15/2026	PRINTED	100772 ALPHA ANALYTICAL LABORATO	11,783.75			
503477	01/15/2026	PRINTED	103824 ALTO SERRAMONTE LLC	1,050.23			
503478	01/15/2026	PRINTED	101732 AMAZON CAPITAL SERVICES I	5,748.22			
503479	01/15/2026	PRINTED	100811 AMERICAN MESSAGING	34.30			
503480	01/15/2026	PRINTED	103791 ANDREW PARANGAN CHU	111.68			
503481	01/15/2026	PRINTED	100521 ANIXTER INC	2,450.10			
503482	01/15/2026	PRINTED	102615 ANNA MARIE VIOLA	769.50			
503483	01/15/2026	PRINTED	102383 ANNE WILLIAMS	721.54			
503484	01/15/2026	PRINTED	100463 ANTHONY WONG	1,504.20			
503485	01/15/2026	PRINTED	103306 APEX POWER ELECTRICAL SUP	677.11			
503486	01/15/2026	PRINTED	103306 APEX POWER ELECTRICAL SUP	21.24			
503487	01/15/2026	PRINTED	101251 APEX TESTING LABORATORIES	1,170.00			
503488	01/15/2026	PRINTED	101641 AQUA-METRIC SALES CO	4,755.82			
503489	01/15/2026	PRINTED	102475 ASHLEY ST CIN	1,600.00			
503490	01/15/2026	PRINTED	103828 ASTOUND	99.90			
503491	01/15/2026	PRINTED	100016 AT&T	246.32			
503492	01/15/2026	PRINTED	100672 AT&T	363.43			
503493	01/15/2026	PRINTED	100672 AT&T	2,981.99			
503494	01/15/2026	PRINTED	100976 AT&T	750.00			
503495	01/15/2026	PRINTED	100976 AT&T	345.00			
503496	01/15/2026	PRINTED	100976 AT&T	145.00			
503497	01/15/2026	PRINTED	100976 AT&T	170.00			
503498	01/15/2026	PRINTED	102913 AT&T	147.95			
503499	01/15/2026	PRINTED	102913 AT&T	147.95			
503500	01/15/2026	PRINTED	100193 AT&T MOBILITY	124.29			
503501	01/15/2026	PRINTED	100193 AT&T MOBILITY	905.55			
503502	01/15/2026	PRINTED	100193 AT&T MOBILITY	113.31			
503503	01/15/2026	PRINTED	100193 AT&T MOBILITY	132.39			
503504	01/15/2026	PRINTED	100193 AT&T MOBILITY	460.17			
503505	01/15/2026	PRINTED	100957 ATLAS COPCO COMPRESSORS L	914.00			
503506	01/15/2026	PRINTED	102531 AURA JOMELIE CRUZ	721.54			
503507	01/15/2026	PRINTED	100613 AUTO COLLISION CENTER	888.28			
503508	01/15/2026	PRINTED	100101 BARKER BLUE DIGITAL IMAGI	45.00			
503509	01/15/2026	PRINTED	100054 BAY AREA WATER SUPPLY & C	37,056.00			
503510	01/15/2026	PRINTED	100229 BAY CITY BOILER	4,658.15			
503511	01/15/2026	PRINTED	100229 BAY CITY BOILER	1,625.00			
503512	01/15/2026	PRINTED	103599 BAYSIDE COLLISION AND REP	6,234.33			
503513	01/15/2026	PRINTED	103087 BEST SIDELIFTER INC	700.00			

City of Daly City, CA



AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503514	01/15/2026	PRINTED	100404 BIRITE FOODSERVICE DISTRI	4,409.43			
503515	01/15/2026	PRINTED	101196 BLUETRITON BRANDS INC	66.15			
503516	01/15/2026	PRINTED	102213 BMW MOTORCYCLES OF SAN FR	1,299.06			
503517	01/15/2026	PRINTED	102273 BRENTWOOD FAMILY PET CARE	396.50			
503518	01/15/2026	PRINTED	101088 BWNVT MOTORS INC	3,754.02			
503519	01/15/2026	PRINTED	102144 C W S CONSTRUCTION GROUP	97,011.38			
503520	01/15/2026	PRINTED	100381 C.L.E.A.	2,496.00			
503521	01/15/2026	PRINTED	100764 CALCON SYSTEMS INC	33,310.08			
503522	01/15/2026	PRINTED	103820 CALIFORNIA ASSOCIATION OF	2,204.00			
503523	01/15/2026	PRINTED	100040 CALIFORNIA DEPARTMENT OF	5,925.00			
503524	01/15/2026	PRINTED	100243 CALIFORNIA DEPARTMENT OF	983.00			
503525	01/15/2026	PRINTED	102245 CALIFORNIA FIRST AID AND	1,471.84			
503526	01/15/2026	PRINTED	100029 CALIFORNIA WATER SERVICE	376.02			
503527	01/15/2026	PRINTED	100378 CARL WARREN & COMPANY INC	819.00			
503528	01/15/2026	PRINTED	101219 CART AWAY CONCRETE SYSTEM	3,467.62			
503529	01/15/2026	PRINTED	100592 CDW GOVERNMENT INC	497.60			
503530	01/15/2026	PRINTED	101073 CENGAGE LEARNING INC / GA	433.04			
503531	01/15/2026	PRINTED	100519 CENTER POINT LARGE PRINT	25.50			
503532	01/15/2026	PRINTED	100774 CENTRAL COUNTY FIRE DEPAR	92,446.00			
503533	01/15/2026	PRINTED	102025 CINTAS CORPORATE SERVICES	8,622.92			
503534	01/15/2026	PRINTED	101213 CINTAS CORPORATION	783.63			
503535	01/15/2026	PRINTED	100141 CINTAS CORPORATION #464	7,249.10			
503536	01/15/2026	PRINTED	100721 CITY AUTO SUPPLY	2,013.45			
503537	01/15/2026	PRINTED	100172 CITY OF BELMONT	24,350.00			
503538	01/15/2026	PRINTED	100286 CITY OF BRISBANE	18,175.00			
503539	01/15/2026	PRINTED	100115 CITY OF DALY CITY	32,450.50			
503540	01/15/2026	PRINTED	100534 CITY OF DALY CITY	4,473.74			
503541	01/15/2026	PRINTED	100534 CITY OF DALY CITY	105,490.08			
503542	01/15/2026	PRINTED	100833 CITY OF FOSTER CITY	27,603.00			
503543	01/15/2026	PRINTED	100586 CITY OF PACIFICA	31,912.78			
503544	01/15/2026	PRINTED	101168 CITY OF REDWOOD CITY	23,794.00			
503545	01/15/2026	PRINTED	100978 CITY OF SAN BRUNO	45,841.00			
503546	01/15/2026	PRINTED	100287 CITY OF SAN CARLOS	21,607.50			
503547	01/15/2026	PRINTED	100530 CITY OF SAN MATEO	64,443.00			
503548	01/15/2026	PRINTED	101076 CITY OF SAN MATEO	43,509.00			
503549	01/15/2026	PRINTED	100847 CITY TOYOTA	504.15			
503550	01/15/2026	PRINTED	103829 CLAIRE SHUM	383.00			
503551	01/15/2026	PRINTED	101736 CLAREMONT BEHAVIORAL SERV	1,384.50			
503552	01/15/2026	PRINTED	100390 CLEARLITE TROPHIES	186.79			
503553	01/15/2026	PRINTED	101912 CLEITUS JONES	2,280.00			
503554	01/15/2026	PRINTED	101029 CLIFFORD RAY LENTZ	6,539.46			
503555	01/15/2026	PRINTED	102287 COASTSIDE FIRE PROTECTION	47,764.50			
503556	01/15/2026	PRINTED	101281 COLMA FIRE PROTECTION DIS	14,558.00			
503557	01/15/2026	PRINTED	101040 COMCAST	89.70			
503558	01/15/2026	PRINTED	101097 COMCAST	194.40			
503559	01/15/2026	PRINTED	101242 COMCAST	484.56			
503560	01/15/2026	PRINTED	101863 COMCAST	215.79			
503561	01/15/2026	PRINTED	101967 COMCAST	503.89			
503562	01/15/2026	PRINTED	102168 COMCAST	226.34			
503563	01/15/2026	PRINTED	100278 COMPLETE LINEN SERVICES I	309.50			
503564	01/15/2026	PRINTED	103833 COMPRESSED AIR SPECIALTIE	1,864.05			
503565	01/15/2026	PRINTED	101498 CONEXWEST	21,947.71			

AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503566	01/15/2026	PRINTED	100621 CORELOGIC SOLUTIONS LLC	202.16			
503567	01/15/2026	PRINTED	100324 COUNTY OF SAN MATEO	2,029.12			
503568	01/15/2026	PRINTED	100902 CRIME SCENE CLEANERS INC	590.00			
503569	01/15/2026	PRINTED	100594 CSG CONSULTANTS INC	1,800.00			
503570	01/15/2026	PRINTED	103045 DA DAVIDSON & CO	40,000.00			
503571	01/15/2026	PRINTED	100072 DAILY JOURNAL CORPORATION	111.50			
503572	01/15/2026	PRINTED	100078 DALY CITY FIREFIGHTERS UN	9,084.16			
503573	01/15/2026	PRINTED	101098 DALY CITY PARTNERSHIP	33,145.66			
503574	01/15/2026	PRINTED	100238 DALY CITY POLICE OFFICERS	395.00			
503575	01/15/2026	PRINTED	100238 DALY CITY POLICE OFFICERS	7,900.00			
503576	01/15/2026	PRINTED	100635 DALY CITY POLICE OFFICERS	948.30			
503577	01/15/2026	PRINTED	100756 DALY CITY TEST ONLY	40.00			
503578	01/15/2026	PRINTED	101809 DARLENE MASAMORI	912.00			
503579	01/15/2026	PRINTED	103814 DENNIS YU	72.19			
503580	01/15/2026	PRINTED	103569 DEVIL MOUNTAIN WHOLESALE	2,494.69			
503581	01/15/2026	PRINTED	102329 DOWNEY BRAND ATTORNEYS LL	8,667.00			
503582	01/15/2026	PRINTED	102686 DRYCO CONSTRUCTION INC	26,957.40			
503583	01/15/2026	PRINTED	100751 DU ALL SAFETY LLC	400.00			
503584	01/15/2026	PRINTED	100008 DUNN EDWARDS CORPORATION	764.41			
503585	01/15/2026	PRINTED	101161 EAN SERVICES LLC	208.87			
503586	01/15/2026	PRINTED	101082 EAST BAY TIRE CO	3,516.19			
503587	01/15/2026	PRINTED	103815 EDLYRA ROMANO	400.00			
503588	01/15/2026	PRINTED	101750 EME ENTERPRISE INC	619.99			
503589	01/15/2026	PRINTED	100145 ENVIRONMENTAL RESOURCE AS	939.93			
503590	01/15/2026	PRINTED	102967 ENVIRONMENTAL SCIENCE ASS	3,158.32			
503591	01/15/2026	PRINTED	103135 EQUIFAX WORKFORCE Solutio	418.19			
503592	01/15/2026	PRINTED	101777 ESO SOLUTIONS INC	687.61			
503593	01/15/2026	PRINTED	100544 EWING IRRIGATION PRODUCTS	37.91			
503594	01/15/2026	PRINTED	100735 FASTENAL COMPANY	624.17			
503595	01/15/2026	PRINTED	100377 FEDEX	26.32			
503596	01/15/2026	PRINTED	101708 GARY K WARD	1,462.00			
503597	01/15/2026	PRINTED	103082 GAS2YOU INC	520.70			
503598	01/15/2026	PRINTED	101709 GAVIN'S PAINTING	17,794.88			
503599	01/15/2026	PRINTED	103608 GLOBAL MACHINERY INTERNAT	100,087.34			
503600	01/15/2026	PRINTED	103480 GLOBAL MUSIC RIGHTS LLC	2,000.00			
503601	01/15/2026	PRINTED	101536 GOLDEN STATE EMERGENCY	141.40			
503602	01/15/2026	PRINTED	100149 GOVERNMENT FINANCE OFFICE	1,130.00			
503603	01/15/2026	PRINTED	100065 GRAINGER INC	3,374.45			
503604	01/15/2026	PRINTED	100767 GRAND INDUSTRIES INC	29,240.00			
503605	01/15/2026	PRINTED	100056 GRANITEROCK	338.31			
503606	01/15/2026	PRINTED	100022 GRAYBAR ELECTRIC CO INC	204.32			
503607	01/15/2026	PRINTED	102023 GREEN HALO SYSTEMS INC	402.00			
503608	01/15/2026	PRINTED	103665 GT-MICHELLI CO LLC	1,184.44			
503609	01/15/2026	PRINTED	100407 GYM DOCTORS	800.00			
503610	01/15/2026	PRINTED	100089 HACH COMPANY	5,195.98			
503611	01/15/2026	PRINTED	103839 HAVOK RESTORATION	500.00			
503612	01/15/2026	PRINTED	101605 HAZEN AND SAWYER	7,140.00			
503613	01/15/2026	PRINTED	103819 HD SUPPLY FACILITIES MAIN	256.44			
503614	01/15/2026	PRINTED	100490 HERC RENTALS INC	4,799.31			
503615	01/15/2026	PRINTED	100361 HF&H CONSULTANTS LLC	1,550.00			
503616	01/15/2026	PRINTED	100345 HOME DEPOT CREDIT SERVICE	8,748.41			
503617	01/15/2026	PRINTED	101695 HONEY BUCKET	218.49			

AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503618	01/15/2026	PRINTED	102909 THE HUB COMMUNITY CORPORA	95.61			
503619	01/15/2026	PRINTED	100776 IDEXX DISTRIBUTION INC	1,618.18			
503620	01/15/2026	PRINTED	100565 IMSA	2,520.00			
503621	01/15/2026	PRINTED	101111 INFOSEND INC	10,138.72			
503622	01/15/2026	PRINTED	103248 INGRAM LIBRARY SERVICES L	3,784.49			
503623	01/15/2026	PRINTED	101246 INTEGRATED COMMUNICATION	11,220.00			
503624	01/15/2026	PRINTED	101806 INVOICE CLOUD INC	100.00			
503625	01/15/2026	PRINTED	103013 ISABEL ZAMORA	1,950.00			
503626	01/15/2026	PRINTED	103840 J H FITZMAURICE INC	1,500.00			
503627	01/15/2026	PRINTED	100546 JEANETTE FEINBERG	938.00			
503628	01/15/2026	PRINTED	103737 JEFFERSON UNION HIGH SCHO	15,180.34			
503629	01/15/2026	PRINTED	102609 JOHN KLATT	83.90			
503630	01/15/2026	PRINTED	102609 JOHN KLATT	475.47			
503631	01/15/2026	PRINTED	100526 JOHNSON CONTROLS SECURITY	634.02			
503632	01/15/2026	PRINTED	102367 JOSHUA REES	248.00			
503633	01/15/2026	PRINTED	102508 JUSTIN TODARO	410.12			
503634	01/15/2026	PRINTED	103831 KENNEDY JOYCE TR	227.85			
503635	01/15/2026	PRINTED	100835 KIMBALL MIDWEST	1,932.85			
503636	01/15/2026	PRINTED	100427 KIMLEY HORN & ASSOCIATES	1,015.00			
503637	01/15/2026	PRINTED	102337 KLAUS ZALINSKIS	721.54			
503638	01/15/2026	PRINTED	100688 KOFFLER ELECTRICAL MECHAN	15,176.64			
503639	01/15/2026	PRINTED	100017 L N CURTIS AND SONS	6,452.73			
503640	01/15/2026	PRINTED	100304 LANGUAGE LINE SERVICES	1,901.11			
503641	01/15/2026	PRINTED	103085 LAZ KARP ASSOCIATES LLC	5,977.00			
503642	01/15/2026	PRINTED	100684 LEGACY MECHANICAL & ENER	2,018.19			
503643	01/15/2026	PRINTED	100598 LEGAL SHIELD	583.20			
503644	01/15/2026	PRINTED	100971 LEHR	12,294.14			
503645	01/15/2026	PRINTED	100509 LEXIS NEXIS	1,679.10			
503646	01/15/2026	PRINTED	100769 LEXISNEXIS RISK DATA MANA	510.00			
503647	01/15/2026	PRINTED	100955 LIBERTY PROCESS EQUIPMENT	5,966.43			
503648	01/15/2026	PRINTED	100350 LINDE GAS & EQUIPMENT INC	150.07			
503649	01/15/2026	PRINTED	100316 LORAL LANDSCAPING	2,802.69			
503650	01/15/2026	PRINTED	100604 LORAL LANDSCAPING	25,302.00			
503651	01/15/2026	PRINTED	101159 LOU'S GLOVES INC	297.00			
503652	01/15/2026	PRINTED	102190 LUBE SQUAD OF SFO LLC	184.46			
503653	01/15/2026	PRINTED	103556 MAID CITY CLEANING SERVIC	18,300.00			
503654	01/15/2026	PRINTED	102340 MARJORIE KALAVERAS	769.50			
503655	01/15/2026	PRINTED	101687 MATTHEW J BRADSHAW	3,500.00			
503656	01/15/2026	PRINTED	102797 MATTHEW MARTIN	32.00			
503657	01/15/2026	PRINTED	100310 MAZE & ASSOCIATES INC	11,703.00			
503658	01/15/2026	PRINTED	102285 MENLO PARK FIRE PROTECTIO	76,209.00			
503659	01/15/2026	PRINTED	100503 METRO MOBILE COMMUNICATIO	2,325.00			
503660	01/15/2026	PRINTED	101269 MGT IMPACT SOLUTIONS LLC	3,032.00			
503661	01/15/2026	PRINTED	102380 BRENNAN, MICHAEL	257.04			
503662	01/15/2026	PRINTED	103409 MICHAEL KELLISON	225.00			
503663	01/15/2026	PRINTED	100542 MIKE BROWN ELECTRIC	117,320.25			
503664	01/15/2026	PRINTED	103825 MILLIE ARANDA	400.00			
503665	01/15/2026	PRINTED	103750 MIMI GORDON COACHING	3,300.00			
503666	01/15/2026	PRINTED	100293 MITYLITE INC	1,902.46			
503667	01/15/2026	PRINTED	101408 MOBILE BEACON	3,960.00			
503668	01/15/2026	PRINTED	100005 MOTOROLA SOLUTIONS INC	1,797.91			
503669	01/15/2026	PRINTED	101160 NGLIC	2,280.16			

City of Daly City, CA



AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: UnCleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503670	01/15/2026	PRINTED	103826 NORA CALDERON SALDIERNA	400.00			
503671	01/15/2026	PRINTED	101441 OCEAN TREASURES SERVICING	321.98			
503672	01/15/2026	PRINTED	101864 ODP BUSINESS SOLUTIONS LL	2,180.76			
503673	01/15/2026	PRINTED	101865 ODP BUSINESS SOLUTIONS LL	14.27			
503674	01/15/2026	PRINTED	101865 ODP BUSINESS SOLUTIONS LL	16.47			
503675	01/15/2026	PRINTED	101865 ODP BUSINESS SOLUTIONS LL	6.59			
503676	01/15/2026	PRINTED	101865 ODP BUSINESS SOLUTIONS LL	14.56			
503677	01/15/2026	PRINTED	101866 ODP BUSINESS SOLUTIONS LL	3,647.41			
503678	01/15/2026	PRINTED	101866 ODP BUSINESS SOLUTIONS LL	90.50			
503679	01/15/2026	PRINTED	102165 ODP BUSINESS SOLUTIONS LL	1,849.31			
503680	01/15/2026	PRINTED	103441 ONE WORKPLACE L FERRARI L	2,861.92			
503681	01/15/2026	PRINTED	101757 OPERATIONAL TECHNICAL SER	37,185.04			
503682	01/15/2026	PRINTED	100142 OTIS ELEVATOR COMPANY	1,324.04			
503683	01/15/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	224,041.01			
503684	01/15/2026	PRINTED	102958 PACIFIC OFFICE AUTOMATION	25.45			
503685	01/15/2026	PRINTED	100601 PACIFIC PRODUCE INC	1,613.65			
503686	01/15/2026	PRINTED	101832 PARTS AUTHORITY LLC	1,632.85			
503687	01/15/2026	PRINTED	103827 PAUL EASTBURN	20.92			
503688	01/15/2026	PRINTED	100614 PENINSULA UNIFORMS & EQUI	3,096.40			
503689	01/15/2026	PRINTED	102267 PERMANENTE MEDICAL GROUP	3,028.00			
503690	01/15/2026	PRINTED	100413 PERS LONG TERM CARE PROGR	236.19			
503691	01/15/2026	PRINTED	100062 PETERSON	1,418.91			
503692	01/15/2026	PRINTED	101034 PETERSON TRUCKS INC	759.23			
503693	01/15/2026	PRINTED	101406 PIAN SYSTEMS LLC	7,430.62			
503694	01/15/2026	PRINTED	103744 PINNACLE SCHOOLS	15,000.00			
503695	01/15/2026	PRINTED	101899 PLANTE & MORAN PLLC	34,600.00			
503696	01/15/2026	PRINTED	100737 POLYDYNE INC	72,131.71			
503697	01/15/2026	PRINTED	101703 PROCURE AMERICA INC	6,650.68			
503698	01/15/2026	PRINTED	100025 PUMP REPAIR SERVICE	47,881.88			
503699	01/15/2026	PRINTED	101229 PURETEC INDUSTRIAL WATER	1,075.86			
503700	01/15/2026	PRINTED	101386 QUADIENT LEASING USA INC	1,958.84			
503701	01/15/2026	PRINTED	100570 R & S ERECTION NORTH PENI	1,767.00			
503702	01/15/2026	PRINTED	102166 RDA CONSULTING	3,988.75			
503703	01/15/2026	PRINTED	101533 RDO EQUIPMENT CO	1,118.63			
503704	01/15/2026	PRINTED	100063 RED WING SHOES	321.01			
503705	01/15/2026	PRINTED	102160 REPUBLIC SERVICES INC	3,822.45			
503706	01/15/2026	PRINTED	100030 REPUBLIC SERVICES OF NORT	2,089,545.25			
503707	01/15/2026	PRINTED	103798 RHEANNA JAAAE MARIANO DE	1,909.22			
503708	01/15/2026	PRINTED	100923 ROLAND L DITAN	330.00			
503709	01/15/2026	PRINTED	103139 ROMEL 400 LLC	348.40			
503710	01/15/2026	PRINTED	102374 RONNIE GOO	411.23			
503711	01/15/2026	PRINTED	100117 RUDOLPHS INTERIORS INC	600.96			
503712	01/15/2026	PRINTED	100479 S & S WORLDWIDE INC	45.94			
503713	01/15/2026	PRINTED	100013 SAFETY KLEEN SYSTEMS INC	331.00			
503714	01/15/2026	PRINTED	100237 SAN FRANCISCO CHRONICLE	780.00			
503715	01/15/2026	PRINTED	100018 SAN FRANCISCO PUBLIC	726,951.55			
503716	01/15/2026	PRINTED	101833 SAN MATEO COUNTY FIREFIGH	10,395.00			
503717	01/15/2026	PRINTED	102296 SAN MATEO COUNTY FIRE COU	77,676.00			
503718	01/15/2026	PRINTED	102935 SAN MATEO COUNTY SHERIFF	112.50			
503719	01/15/2026	PRINTED	100069 SAN MATEO COUNTY TRANSIT	36,569.29			
503720	01/15/2026	PRINTED	100245 SAN MATEO LAWN MOWER SHOP	3,001.63			
503721	01/15/2026	PRINTED	103823 SERRAMONTE JOINT VENTURE	50,423.40			

City of Daly City, CA



AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503722	01/15/2026	PRINTED	100020 SF - WATER	926,025.63			
503723	01/15/2026	PRINTED	100645 SHARP ELECTRONICS CORPORA	13,008.01			
503724	01/15/2026	PRINTED	100500 SHOE DEPOT INC	3,107.54			
503725	01/15/2026	PRINTED	101151 SHRED IT USA	483.12			
503726	01/15/2026	PRINTED	101291 SHRED WORKS INC	253.00			
503727	01/15/2026	PRINTED	103806 SITESCAPES INC	749.95			
503728	01/15/2026	PRINTED	100665 SMART & FINAL STORES LLC	959.34			
503729	01/15/2026	PRINTED	101922 SPECIALTY SERVICES	5,400.00			
503730	01/15/2026	PRINTED	100435 ST FRANCIS ELECTRIC INC	4,301.50			
503731	01/15/2026	PRINTED	100790 STANDARD PLUMBING SUPPLY	497.30			
503732	01/15/2026	PRINTED	100790 STANDARD PLUMBING SUPPLY	194.65			
503733	01/15/2026	PRINTED	100140 STATIONARY ENGINEERS LOCA	4,122.26			
503734	01/15/2026	PRINTED	100372 STEPFORD INC	36,765.24			
503735	01/15/2026	PRINTED	100624 STERICYCLE INC	1,115.14			
503736	01/15/2026	PRINTED	100483 STERLING	10.00			
503737	01/15/2026	PRINTED	100014 STEWART CHEVROLET CADILLA	50.87			
503738	01/15/2026	PRINTED	100014 STEWART CHEVROLET CADILLA	739.26			
503739	01/15/2026	PRINTED	103775 SUNNYVALE FORD INC	545.80			
503740	01/15/2026	PRINTED	100679 SUPERCO SPECIALTY PRODUCT	4,078.50			
503741	01/15/2026	PRINTED	101223 SWEET DELIGHT BAKERY	2,784.00			
503742	01/15/2026	PRINTED	100708 SWINERTON MANAGEMENT & CO	42.00			
503743	01/15/2026	PRINTED	101407 SYN TECH SYSTEMS INC	50.00			
503744	01/15/2026	PRINTED	100982 T MOBILE USA INC	50.00			
503745	01/15/2026	PRINTED	100982 T MOBILE USA INC	1,955.86			
503746	01/15/2026	PRINTED	102476 TAYLOR VOGT	250.00			
503747	01/15/2026	PRINTED	102476 TAYLOR VOGT	3,793.00			
503748	01/15/2026	PRINTED	100114 TEAMSTERS LOCAL 856	24,470.92			
503749	01/15/2026	PRINTED	100305 TELECOMMUNICATIONS ENGINE	1,258.00			
503750	01/15/2026	PRINTED	100068 TELSTAR INSTRUMENTS INC	651,272.50			
503751	01/15/2026	PRINTED	103058 TENNYSON ELECTRIC LLC	313.11			
503752	01/15/2026	PRINTED	103821 THARANGA ABEYSEKERA	1,978.27			
503753	01/15/2026	PRINTED	100053 THE ADAM HILL COMPANY	4,050.00			
503754	01/15/2026	PRINTED	101345 THE ECOHERO SHOW LLC	10,540.00			
503755	01/15/2026	PRINTED	103035 THE GUMSHOE GROUP	27,291.00			
503756	01/15/2026	PRINTED	103095 THE WATERSHED NURSERY COO	3,800.00			
503757	01/15/2026	PRINTED	100031 THOMSON REUTERS WEST	52,128.51			
503758	01/15/2026	PRINTED	100647 TOWNE FORD	6,400.00			
503759	01/15/2026	PRINTED	101053 TYLER TECHNOLOGIES INC	161.30			
503760	01/15/2026	PRINTED	100783 ULINE INC	16,789.49			
503761	01/15/2026	PRINTED	101822 UNDERGROUND REPUBLIC WATE	1,410.93			
503762	01/15/2026	PRINTED	100585 UNITED RENTALS NORTH AMER	49,129.07			
503763	01/15/2026	PRINTED	100664 UNIVAR SOLUTIONS USA INC	3,615.63			
503764	01/15/2026	PRINTED	103006 US FOODS INC	5,620.57			
503765	01/15/2026	PRINTED	103816 VAIL DUNLAP & ASSOCIATES	41,809.50			
503766	01/15/2026	PRINTED	103009 VALLEY OIL COMPANY	474.66			
503767	01/15/2026	PRINTED	103594 VERDANT COMMERCIAL CAPITA	274.34			
503768	01/15/2026	PRINTED	100603 VERIZON WIRELESS SERVICES	1,815.32			
503769	01/15/2026	PRINTED	100603 VERIZON WIRELESS SERVICES	39.05			
503770	01/15/2026	PRINTED	100603 VERIZON WIRELESS SERVICES	78.10			
503771	01/15/2026	PRINTED	100603 VERIZON WIRELESS SERVICES	3,436.36			
503772	01/15/2026	PRINTED	100603 VERIZON WIRELESS SERVICES	237.22			
503773	01/15/2026	PRINTED	100603 VERIZON WIRELESS SERVICES	278.75			

Report generated: 01/15/2026 08:35
User: hily.sun
Program ID: apchkrccn

AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503774	01/15/2026	PRINTED	100603 VERIZON WIRELESS SERVICES	156.20			
503775	01/15/2026	PRINTED	100603 VERIZON WIRELESS SERVICES	39.05			
503776	01/15/2026	PRINTED	100603 VERIZON WIRELESS SERVICES	3,880.94			
503777	01/15/2026	PRINTED	100603 VERIZON WIRELESS SERVICES	412.50			
503778	01/15/2026	PRINTED	100891 VESTRA RESOURCES INC	318.00			
503779	01/15/2026	PRINTED	101974 VOLER STRATEGIC ADVISORS	10,000.00			
503780	01/15/2026	PRINTED	100058 VWR INTERNATIONAL LLC	4,123.60			
503781	01/15/2026	PRINTED	100143 WECO INDUSTRIES LLC	1,375.82			
503782	01/15/2026	PRINTED	101120 WEST COAST ARBORISTS INC	60,085.00			
503783	01/15/2026	PRINTED	100821 WEST COAST CODE CONSULTAN	19,096.00			
503784	01/15/2026	PRINTED	103420 WEST YOST & ASSOCIATES IN	20,786.21			
503785	01/15/2026	PRINTED	102411 WILGRACE DUMANDAN	721.54			
503786	01/15/2026	PRINTED	101405 WILLIAMS SCOTSMAN INC	763.19			
503787	01/15/2026	PRINTED	100523 WITMER PUBLIC SAFETY GROU	24.56			
503788	01/15/2026	PRINTED	102283 WOODSIDE FIRE PROTECTION	55,209.00			
503789	01/15/2026	PRINTED	103002 WORLD JOURNAL SF LLC	480.00			
503790	01/15/2026	PRINTED	100003 YVETTE SINK	39.83			
503791	01/15/2026	PRINTED	103817 ZENAIDA CAJILIG	378.00			
330 CHECKS				CASH ACCOUNT TOTAL	7,295,261.65	.00	

AP CHECK RECONCILIATION REGISTER

		UNCLEARED	CLEARED
330 CHECKS	FINAL TOTAL	7,295,261.65	.00
** END OF REPORT - Generated by Lily Sun **			

AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503792	01/30/2026	PRINTED	102593 24/7 ROOTER & PLUMBING SE	500.00			
503793	01/30/2026	PRINTED	101962 ABACUS PRODUCTS INC	509.83			
503794	01/30/2026	PRINTED	101816 ACC BUSINESS	3,856.80			
503795	01/30/2026	PRINTED	101816 ACC BUSINESS	528.85			
503796	01/30/2026	PRINTED	101341 ACTION TOWING	1,783.50			
503797	01/30/2026	PRINTED	100169 ADAMSON POLICE PRODUCTS	3,214.53			
503798	01/30/2026	PRINTED	101369 ADVANCED FIRE CONTROL	14,661.48			
503799	01/30/2026	PRINTED	100332 AFSCME DISTRICT COUNCIL 5	5,244.08			
503800	01/30/2026	PRINTED	100309 ALERT PEST CONTROL COMPAN	1,663.00			
503801	01/30/2026	PRINTED	103822 ALFRED E CLANCY	8,720.00			
503802	01/30/2026	PRINTED	100791 ALS SERVICES USA CORP	36.73			
503803	01/30/2026	PRINTED	101732 AMAZON CAPITAL SERVICES I	1,075.44			
503804	01/30/2026	PRINTED	100326 AMERICAN TOWER CORPORATIO	9,800.74			
503805	01/30/2026	PRINTED	100111 AMERICAN WATER WORKS ASSO	113.00			
503806	01/30/2026	PRINTED	100901 AMERINAT	530.00			
503807	01/30/2026	PRINTED	103791 ANDREW PARANGAN CHU	585.00			
503808	01/30/2026	PRINTED	100521 ANIXTER INC	891.18			
503809	01/30/2026	PRINTED	103830 ANTON AYSON	133.00			
503810	01/30/2026	PRINTED	102310 ARMENTO AND HYNES LLP	9,000.00			
503811	01/30/2026	PRINTED	103828 ASTOUND	254.59			
503812	01/30/2026	PRINTED	103828 ASTOUND	249.95			
503813	01/30/2026	PRINTED	103828 ASTOUND	1,079.95			
503814	01/30/2026	PRINTED	103828 ASTOUND	1,295.00			
503815	01/30/2026	PRINTED	103828 ASTOUND	95.95			
503816	01/30/2026	PRINTED	100672 AT&T	5,030.45			
503817	01/30/2026	PRINTED	100672 AT&T	365.88			
503818	01/30/2026	PRINTED	102913 AT&T	147.83			
503819	01/30/2026	PRINTED	102913 AT&T	147.83			
503820	01/30/2026	PRINTED	100193 AT&T MOBILITY	217.87			
503821	01/30/2026	PRINTED	100193 AT&T MOBILITY	903.24			
503822	01/30/2026	PRINTED	100193 AT&T MOBILITY	1,466.64			
503823	01/30/2026	PRINTED	100193 AT&T MOBILITY	8,107.59			
503824	01/30/2026	PRINTED	100193 AT&T MOBILITY	1,629.60			
503825	01/30/2026	PRINTED	100193 AT&T MOBILITY	2,281.44			
503826	01/30/2026	PRINTED	100193 AT&T MOBILITY	113.19			
503827	01/30/2026	PRINTED	100193 AT&T MOBILITY	131.39			
503828	01/30/2026	PRINTED	100957 ATLAS COPCO COMPRESSORS L	2,813.96			
503829	01/30/2026	PRINTED	103550 ATLAS PLUMBING & ROOTER	2,000.00			
503830	01/30/2026	PRINTED	100613 AUTO COLLISION CENTER	14,476.29			
503831	01/30/2026	PRINTED	101147 BADGE FRAME INC	55.00			
503832	01/30/2026	PRINTED	100421 BAY AREA PAVING COMPANY I	4,581.00			
503833	01/30/2026	PRINTED	103101 BEAM CONSTRUCTION ENTERPR	130,437.38			
503834	01/30/2026	PRINTED	100404 BIRITE FOODSERVICE DISTRI	4,720.20			
503835	01/30/2026	PRINTED	100430 BKF ENGINEERS	1,377.50			
503836	01/30/2026	PRINTED	103020 BLAISDELL'S BUSINESS PROD	675.73			
503837	01/30/2026	PRINTED	101217 BLUE LINE TRANSFER INC	142.51			
503838	01/30/2026	PRINTED	101196 BLUETRITON BRANDS INC	109.42			
503839	01/30/2026	PRINTED	101196 BLUETRITON BRANDS INC	41.35			
503840	01/30/2026	PRINTED	102039 BOSS SAFETY PRODUCTS	1,318.51			
503841	01/30/2026	PRINTED	102420 BRANDON SCHOLLES	585.00			
503842	01/30/2026	PRINTED	101935 BRENT TURNER	3,825.00			
503843	01/30/2026	PRINTED	100132 BROADMOOR LANDSCAPE SUPPL	1,325.76			

AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503844	01/30/2026	PRINTED	100164 BSN SPORTS LLC	1,146.46			
503845	01/30/2026	PRINTED	100381 C.L.E.A.	2,496.00			
503846	01/30/2026	PRINTED	100691 CAGWIN & DORWARD	396.00			
503847	01/30/2026	PRINTED	100764 CALCON SYSTEMS INC	27,250.00			
503848	01/30/2026	PRINTED	100484 CALIFORNIA DIESEL AND POW	2,031.00			
503849	01/30/2026	PRINTED	103370 CALIFORNIA SEWER ENGINEER	500.00			
503850	01/30/2026	PRINTED	100029 CALIFORNIA WATER SERVICE	251.04			
503851	01/30/2026	PRINTED	100029 CALIFORNIA WATER SERVICE	41.49			
503852	01/30/2026	PRINTED	100413 CALPERS	236.19			
503853	01/30/2026	PRINTED	100015 WESTLAKE ECO SOFT-TOUCH	781.25			
503854	01/30/2026	PRINTED	100592 CDW GOVERNMENT INC	1,992.46			
503855	01/30/2026	PRINTED	100900 CEL ANALYTICAL INC	1,218.00			
503856	01/30/2026	PRINTED	103570 CHIARI LAW PC	7,458.00			
503857	01/30/2026	PRINTED	103250 CHRISTIAN MICULOB	250.00			
503858	01/30/2026	PRINTED	103832 CHRISTOPHER ZACCARO	500.00			
503859	01/30/2026	PRINTED	103133 CINCO BOOKS CORP	1,229.14			
503860	01/30/2026	PRINTED	102025 CINTAS CORPORATE SERVICES	239.52			
503861	01/30/2026	PRINTED	101213 CINTAS CORPORATION	1,700.54			
503862	01/30/2026	PRINTED	100141 CINTAS CORPORATION #464	4,366.00			
503863	01/30/2026	PRINTED	101653 CITY CONSULTANTS & RESEAR	200.00			
503864	01/30/2026	PRINTED	100286 CITY OF BRISBANE	2,446.94			
503865	01/30/2026	PRINTED	100534 CITY OF DALY CITY	6,226.95			
503866	01/30/2026	PRINTED	100586 CITY OF PACIFICA	13,360.26			
503867	01/30/2026	PRINTED	100586 CITY OF PACIFICA	41,474.16			
503868	01/30/2026	PRINTED	100847 CITY TOYOTA	4,724.42			
503869	01/30/2026	PRINTED	103829 CLAIRE SHUM	175.00			
503870	01/30/2026	PRINTED	103434 CLAYTON HOLSTINE	4,600.00			
503871	01/30/2026	PRINTED	101204 CLEAN VENT INC	3,190.00			
503872	01/30/2026	PRINTED	100390 CLEARLITE TROPHIES	365.33			
503873	01/30/2026	PRINTED	101420 COLANTUONO HIGHSMITH & WH	750.50			
503874	01/30/2026	PRINTED	101104 COMCAST	104.00			
503875	01/30/2026	PRINTED	101140 COMCAST	108.33			
503876	01/30/2026	PRINTED	101140 COMCAST	123.33			
503877	01/30/2026	PRINTED	101140 COMCAST	123.33			
503878	01/30/2026	PRINTED	101289 COMCAST	229.80			
503879	01/30/2026	PRINTED	101783 COMCAST	281.16			
503880	01/30/2026	PRINTED	101826 COMCAST	211.20			
503881	01/30/2026	PRINTED	101827 COMCAST	196.52			
503882	01/30/2026	PRINTED	103072 COMCAST	212.87			
503883	01/30/2026	PRINTED	103222 COMCAST	169.76			
503884	01/30/2026	PRINTED	100278 COMPLETE LINEN SERVICES I	619.00			
503885	01/30/2026	PRINTED	100121 CONTRACTORS ELECTRICAL DI	597.56			
503886	01/30/2026	PRINTED	100324 COUNTY OF SAN MATEO	82.25			
503887	01/30/2026	PRINTED	100324 COUNTY OF SAN MATEO	2,193.62			
503888	01/30/2026	PRINTED	100006 CPS HR CONSULTING	579.60			
503889	01/30/2026	PRINTED	101089 CRYSTAL CREAMERY	1,681.50			
503890	01/30/2026	PRINTED	100594 CSG CONSULTANTS INC	2,155.00			
503891	01/30/2026	PRINTED	103045 DA DAVIDSON & CO	20,458.16			
503892	01/30/2026	PRINTED	100072 DAILY JOURNAL CORPORATION	107.00			
503893	01/30/2026	PRINTED	100047 DALY CITY CENTRAL CASHIER	1,774.06			
503894	01/30/2026	PRINTED	100078 DALY CITY FIREFIGHTERS UN	8,941.84			
503895	01/30/2026	PRINTED	100238 DALY CITY POLICE OFFICERS	395.00			

City of Daly City, CA



AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: unCleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503896	01/30/2026	PRINTED	100238 DALY CITY POLICE OFFICERS	7,900.00			
503897	01/30/2026	PRINTED	100635 DALY CITY POLICE OFFICERS	948.30			
503898	01/30/2026	PRINTED	100756 DALY CITY TEST ONLY	120.00			
503899	01/30/2026	PRINTED	100070 DALY CITY TOOL MART	186.79			
503900	01/30/2026	PRINTED	100211 DASH DRILLING & FENCING I	525.00			
503901	01/30/2026	PRINTED	100911 DASH MEDICAL GLOVES INC	295.19			
503902	01/30/2026	PRINTED	100093 DAVID BOFFI	720.00			
503903	01/30/2026	PRINTED	100477 DAVID DEWEY	750.00			
503904	01/30/2026	PRINTED	102911 DEPARTMENT OF INDUSTRIAL	225.00			
503905	01/30/2026	PRINTED	100041 DEPARTMENT OF JUSTICE	2,058.00			
503906	01/30/2026	PRINTED	103569 DEVIL MOUNTAIN WHOLESALE	426.30			
503907	01/30/2026	PRINTED	101354 DEVINE AND GONG INC	590.00			
503908	01/30/2026	PRINTED	102538 DIANE MCCARTHY	720.00			
503909	01/30/2026	PRINTED	100331 ACTION SPORTS	995.31			
503910	01/30/2026	PRINTED	102597 DISCOUNT PLUMBING ROOTER	6,000.00			
503911	01/30/2026	PRINTED	101068 DIVISION OF THE STATE ARC	682.23			
503912	01/30/2026	PRINTED	100313 DOOLEY ENTERPRISES INC	26,037.75			
503913	01/30/2026	PRINTED	101880 DORMAN ASSOCIATES INC	60,013.37			
503914	01/30/2026	PRINTED	101082 EAST BAY TIRE CO	1,412.69			
503915	01/30/2026	PRINTED	103847 EDMOND CHOI	500.00			
503916	01/30/2026	PRINTED	102344 EDWARD GREGARIO	720.00			
503917	01/30/2026	PRINTED	101392 EKI ENVIRONMENT & WATER	7,392.32			
503918	01/30/2026	PRINTED	102391 ELIZABETH SOLIS	709.91			
503919	01/30/2026	PRINTED	100454 EMUELDA FLORES	720.00			
503920	01/30/2026	PRINTED	100959 ENVIRONMENTAL EXPRESS INC	420.84			
503921	01/30/2026	PRINTED	100145 ENVIRONMENTAL RESOURCE AS	939.92			
503922	01/30/2026	PRINTED	102967 ENVIRONMENTAL SCIENCE ASS	140,620.43			
503923	01/30/2026	PRINTED	100366 EOA INC	11,738.00			
503924	01/30/2026	PRINTED	100004 EQUIFAX INFORMATION SVCS	50.00			
503925	01/30/2026	PRINTED	101232 ERIC G OSBORNE	1,500.00			
503926	01/30/2026	PRINTED	102155 ETIC	933,414.75			
503927	01/30/2026	PRINTED	100544 EWING IRRIGATION PRODUCTS	294.34			
503928	01/30/2026	PRINTED	100735 FASTENAL COMPANY	1,127.87			
503929	01/30/2026	PRINTED	100377 FEDEX	158.34			
503930	01/30/2026	PRINTED	102657 FERNANDO BARRON	125.00			
503931	01/30/2026	PRINTED	101718 FIRE CATT LLC	13,719.60			
503932	01/30/2026	PRINTED	100417 FIRST CHOICE COFFEE SERVI	244.75			
503933	01/30/2026	PRINTED	103286 FRANCHISE TAX BOARD	174.60			
503934	01/30/2026	PRINTED	101959 FREYER & LAURETA INC	1,356.50			
503935	01/30/2026	PRINTED	101802 FUN EXPRESS LLC	123.90			
503936	01/30/2026	PRINTED	101802 FUN EXPRESS LLC	63.79			
503937	01/30/2026	PRINTED	103544 GAI CONSULTANTS INC	39,362.50			
503938	01/30/2026	PRINTED	103861 GAN ZHENG	3,350.33			
503939	01/30/2026	PRINTED	103082 GAS2YOU INC	3,43.95			
503940	01/30/2026	PRINTED	101709 GAVIN'S PAINTING	20,777.02			
503941	01/30/2026	PRINTED	102181 GENASYS INC	7,875.00			
503942	01/30/2026	PRINTED	100065 GRAINGER INC	4,090.98			
503943	01/30/2026	PRINTED	100767 GRAND INDUSTRIES INC	103,241.06			
503944	01/30/2026	PRINTED	100056 GRANITEROCK	1,210.58			
503945	01/30/2026	PRINTED	100022 GRAYBAR ELECTRIC CO INC	1,086.89			
503946	01/30/2026	PRINTED	102405 GREGORY GONZALEZ	720.00			
503947	01/30/2026	PRINTED	101406 GREGORY MCGARTH	8,607.40			

AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
503948	01/30/2026	PRINTED	100632 GRM	911.38			
503949	01/30/2026	PRINTED	100089 HACH COMPANY	3,699.80			
503950	01/30/2026	PRINTED	101952 HALEY AND ALDRICH INC	20,027.50			
503951	01/30/2026	PRINTED	102080 HAMMEL GREEN AND ABRAHAMS	393.44			
503952	01/30/2026	PRINTED	100201 HARRY LAX JR	720.00			
503953	01/30/2026	PRINTED	101605 HAZEN AND SAWYER	29,158.38			
503954	01/30/2026	PRINTED	102032 HDL COMPANIES	55,957.47			
503955	01/30/2026	PRINTED	103835 HEATHER HOLMES	414.92			
503956	01/30/2026	PRINTED	101152 HILL BROTHERS CHEMICAL CO	3,278.02			
503957	01/30/2026	PRINTED	101695 HONEY BUCKET	687.47			
503958	01/30/2026	PRINTED	103173 HONG WEI CONSTRUCTION INC	2,000.00			
503959	01/30/2026	PRINTED	100893 HUNTINGTON COURT REPORTER	91.02			
503960	01/30/2026	PRINTED	103303 HURLEY DIESEL AND POWER L	7,513.50			
503961	01/30/2026	PRINTED	103621 ILLUM STRATEGY GROUP	20,000.00			
503962	01/30/2026	PRINTED	102097 IMPERIAL SUPPLIES LLC	543.54			
503963	01/30/2026	PRINTED	100653 INNOVATIVE CLAIM SOLUTION	35,721.16			
503964	01/30/2026	PRINTED	100854 INTERNATIONAL ASSOCIATION	65.00			
503965	01/30/2026	PRINTED	101193 INTERNATIONAL ASSOCIATION	103.00			
503966	01/30/2026	PRINTED	100815 J P COOKE COMPANY	105.10			
503967	01/30/2026	PRINTED	102541 JAMAL WILLIAMS	720.00			
503968	01/30/2026	PRINTED	102338 MULITAUOPELE, JAY	720.00			
503969	01/30/2026	PRINTED	100440 JEFFERSON HIGH SCHOOL	2,917.96			
503970	01/30/2026	PRINTED	100204 JEFFREY M TALLERICO	720.00			
503971	01/30/2026	PRINTED	102610 JEFFREY MORGAN	720.00			
503972	01/30/2026	PRINTED	103844 JIMMY BARRIOS	4,727.36			
503973	01/30/2026	PRINTED	102290 JOHN ODLE	720.00			
503974	01/30/2026	PRINTED	100526 JOHNSON CONTROLS SECURITY	634.02			
503975	01/30/2026	PRINTED	102465 JONATHAN PREMENKO	720.00			
503976	01/30/2026	PRINTED	103836 JOSEPH DAL PORTO	1,250.00			
503977	01/30/2026	PRINTED	100473 KAPCO	941.23			
503978	01/30/2026	PRINTED	103838 KCA ENGINEERS INC	4,125.00			
503979	01/30/2026	PRINTED	101749 KELLY SPICERS FACILITIES	2,400.71			
503980	01/30/2026	PRINTED	100835 KIMBALL MIDWEST	1,590.30			
503981	01/30/2026	PRINTED	100427 KIMLEY HORN & ASSOCIATES	6,631.31			
503982	01/30/2026	PRINTED	100752 KONECRANES INC	7,324.13			
503983	01/30/2026	PRINTED	100017 L N CURTIS AND SONS	1,147.88			
503984	01/30/2026	PRINTED	102410 LARRY HUBER	1,037.81			
503985	01/30/2026	PRINTED	102455 LEE AQUILA	502.70			
503986	01/30/2026	PRINTED	102587 LEE MAGALONG	720.00			
503987	01/30/2026	PRINTED	100684 LEGACY MECHANICAL & ENERG	10,695.29			
503988	01/30/2026	PRINTED	100598 LEGAL SHIELD	583.20			
503989	01/30/2026	PRINTED	100971 LEHR	850.00			
503990	01/30/2026	PRINTED	100955 LIBERTY PROCESS EQUIPMENT	10,855.18			
503991	01/30/2026	PRINTED	102184 LIBRARY IDEAS LLC	7,375.69			
503992	01/30/2026	PRINTED	102328 LIEBERT CASSIDY WHITMORE	6,411.00			
503993	01/30/2026	PRINTED	100604 LORAL LANDSCAPING	3,187.50			
503994	01/30/2026	PRINTED	101159 LOU'S GLOVES INC	198.00			
503995	01/30/2026	PRINTED	103304 LOUIS LANGI	159.27			
503996	01/30/2026	PRINTED	102190 LUBE SQUAD OF SFO LLC	21.87			
503997	01/30/2026	PRINTED	103548 LYNN HUYNH	537.96			
503998	01/30/2026	PRINTED	103851 MARIA CHARIE FANGON	56.25			
503999	01/30/2026	PRINTED	100037 MARK KEYES	720.00			

AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
504000	01/30/2026	PRINTED	100181 MATTHEW BUSHONG	720.00			
504001	01/30/2026	PRINTED	102870 MATTHEW MURRAY	720.00			
504002	01/30/2026	PRINTED	101409 MAVERICK NETWORKS INC	396.38			
504003	01/30/2026	PRINTED	100310 MAZE & ASSOCIATES INC	2,100.00			
504004	01/30/2026	PRINTED	103110 METRO LOCKSMITHS INC	140.00			
504005	01/30/2026	PRINTED	100503 METRO MOBILE COMMUNICATIO	1,997.02			
504006	01/30/2026	PRINTED	101203 MICHAEL BAKER INTERNATION	13,165.21			
504007	01/30/2026	PRINTED	103867 MICHAEL CATTANEO	60.00			
504008	01/30/2026	PRINTED	103853 MICHAEL FRANCO	40.00			
504009	01/30/2026	PRINTED	100248 MICHAEL SCOTT	720.00			
504010	01/30/2026	PRINTED	100480 MIDWEST TAPE INC	473.53			
504011	01/30/2026	PRINTED	101343 MILLIE ARANDA	1,233.20			
504012	01/30/2026	PRINTED	100816 MISSIONSQUARE - 801447	84,023.32			
504013	01/30/2026	PRINTED	100816 MISSIONSQUARE - 801447	3,400.00			
504014	01/30/2026	PRINTED	100816 MISSIONSQUARE - 801447	3,375.00			
504015	01/30/2026	PRINTED	100816 MISSIONSQUARE - 801447	3,425.00			
504016	01/30/2026	PRINTED	100816 MISSIONSQUARE - 801447	3,475.00			
504017	01/30/2026	PRINTED	100347 MOTION INDUSTRIES INC	424.34			
504018	01/30/2026	PRINTED	100329 MUNICIPAL MAINTENANCE EQU	6,089.77			
504019	01/30/2026	PRINTED	101350 MUNISERVICES	335.76			
504020	01/30/2026	PRINTED	103843 NANCY RODRIGUEZ	565.50			
504021	01/30/2026	PRINTED	103584 NEXT SOLAR INC	14,196.53			
504022	01/30/2026	PRINTED	101160 NGLIC	2,320.86			
504023	01/30/2026	PRINTED	100539 NORTHERN SAFETY CO INC	350.06			
504024	01/30/2026	PRINTED	101035 O'REILLY AUTOMOTIVE INC	20.63			
504025	01/30/2026	PRINTED	101864 ODP BUSINESS SOLUTIONS LL	1,098.22			
504026	01/30/2026	PRINTED	101866 ODP BUSINESS SOLUTIONS LL	2,165.69			
504027	01/30/2026	PRINTED	102165 ODP BUSINESS SOLUTIONS LL	1,044.57			
504028	01/30/2026	PRINTED	101757 OPERATIONAL TECHNICAL SER	40,915.68			
504029	01/30/2026	PRINTED	100219 ORION	6,442.92			
504030	01/30/2026	PRINTED	103855 OUR LADY OF PERPETUAL HEL	400.00			
504031	01/30/2026	PRINTED	100914 OWEN EQUIPMENT SALES	5,660.01			
504032	01/30/2026	PRINTED	103413 PACIFIC DISPLAY INC	6,500.00			
504033	01/30/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	9,000.00			
504034	01/30/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	8,694.30			
504035	01/30/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	34,256.47			
504036	01/30/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	23.76			
504037	01/30/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	5,816.10			
504038	01/30/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	51.51			
504039	01/30/2026	PRINTED	100033 PACIFIC GAS & ELECTRIC	318.06			
504040	01/30/2026	PRINTED	100601 PACIFIC PRODUCE INC	3,317.20			
504041	01/30/2026	PRINTED	100950 PANKEY'S RADIATOR SHOP IN	295.00			
504042	01/30/2026	PRINTED	103865 PATRICK HENSLEY	720.00			
504043	01/30/2026	PRINTED	101449 PAUL J ROTTENBERG	2,500.00			
504044	01/30/2026	PRINTED	100614 PENINSULA UNIFORMS & EQUI	6,631.21			
504045	01/30/2026	PRINTED	101034 PETERSON TRUCKS INC	1,057.42			
504046	01/30/2026	PRINTED	101945 PHYLLIS PAN	360.00			
504047	01/30/2026	PRINTED	100737 POLYDYNE INC	72,062.47			
504048	01/30/2026	PRINTED	101380 PREFERRED ALLIANCE INC	397.83			
504049	01/30/2026	PRINTED	101386 QUADIANT LEASING USA INC	712.33			
504050	01/30/2026	PRINTED	100570 R & S ERECTION NORTH PENI	16,715.79			
504051	01/30/2026	PRINTED	100317 R&S ERECTION OF SAN MATEO	304.90			

AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
504052	01/30/2026	PRINTED	102569 RAJ MOTIPARA	720.00			
504053	01/30/2026	PRINTED	103846 RANDALL GACAYAN	1,000.00			
504054	01/30/2026	PRINTED	101533 RDO EQUIPMENT CO	190.76			
504055	01/30/2026	PRINTED	103837 RED CLOUD INC	20.00			
504056	01/30/2026	PRINTED	103580 REVEL ENVIRONMENTAL MANUF	13,616.53			
504057	01/30/2026	PRINTED	100395 RICHARD AGRIMONTI	720.00			
504058	01/30/2026	PRINTED	102345 RICHARD MEDINA	114.00			
504059	01/30/2026	PRINTED	103089 RINGCENTRAL INC	605.22			
504060	01/30/2026	PRINTED	100923 ROLAND L DITAN	330.00			
504061	01/30/2026	PRINTED	100720 RON D MYERS	80,641.92			
504062	01/30/2026	PRINTED	101824 RSG INC	1,380.00			
504063	01/30/2026	PRINTED	103862 RUYANG LIU	500.00			
504064	01/30/2026	PRINTED	102852 RYAN ADAMS	720.00			
504065	01/30/2026	PRINTED	100479 S & S WORLDWIDE INC	460.27			
504066	01/30/2026	PRINTED	102596 S F UNDERGROUND	4,000.00			
504067	01/30/2026	PRINTED	100885 SABRE BACKFLOW LLC	489.04			
504068	01/30/2026	PRINTED	103866 SABRINA KWOK	1,570.10			
504069	01/30/2026	PRINTED	100013 SAFETY KLEEN SYSTEMS INC	939.96			
504070	01/30/2026	PRINTED	103425 SALAS O'BRIEN ENGINEERS I	6,225.00			
504071	01/30/2026	PRINTED	101305 SAN FRANCISCO TOYOTA	119,006.13			
504072	01/30/2026	PRINTED	100277 SAN MATEO COUNTY CONTROLL	74,668.50			
504073	01/30/2026	PRINTED	100321 SAN MATEO COUNTY EMS AGEN	348.00			
504074	01/30/2026	PRINTED	101833 SAN MATEO COUNTY FIREFIGH	10,230.00			
504075	01/30/2026	PRINTED	102296 SAN MATEO COUNTY FIRE COU	3,300.00			
504076	01/30/2026	PRINTED	100719 SAN MATEO COUNTY SHERIFFS	7,325.00			
504077	01/30/2026	PRINTED	102935 SAN MATEO COUNTY SHERIFF	112.50			
504078	01/30/2026	PRINTED	100186 SCOTT BUSCHMAN PHOTOGRAPH	1,310.00			
504079	01/30/2026	PRINTED	103854 SEA-WESTERN INC	14,616.91			
504080	01/30/2026	PRINTED	100500 SHOE DEPOT INC	3,010.44			
504081	01/30/2026	PRINTED	101224 SIMPSON GUMPertz & HEGER	1,687.50			
504082	01/30/2026	PRINTED	103858 SISTER CITIES INTERNATIONAL	2,060.00			
504083	01/30/2026	PRINTED	100777 SOLUTIONWERKS INC	10,078.02			
504084	01/30/2026	PRINTED	101631 SOUTHERN COUNTIES LUBRICA	1,676.38			
504085	01/30/2026	PRINTED	100191 STATE BAR OF CALIFORNIA	598.00			
504086	01/30/2026	PRINTED	100140 STATIONARY ENGINEERS LOCA	4,211.32			
504087	01/30/2026	PRINTED	100972 STEPFORD INC	10,573.95			
504088	01/30/2026	PRINTED	100580 STEWART CHEVRLET CHRYSLER	196.88			
504089	01/30/2026	PRINTED	100580 STEWART CHEVRLET CHRYSLER	598.60			
504090	01/30/2026	PRINTED	103146 STOEL RIVES LLP	14,910.00			
504091	01/30/2026	PRINTED	100982 T MOBILE USA INC	50.00			
504092	01/30/2026	PRINTED	100828 TARGET SOLUTIONS LEARNING	10,710.00			
504093	01/30/2026	PRINTED	100114 TEAMSTERS LOCAL 856	3,725.00			
504094	01/30/2026	PRINTED	100305 TELECOMMUNICATIONS ENGINE	27,495.42			
504095	01/30/2026	PRINTED	100780 TELEPATH CORPORATION	700.00			
504096	01/30/2026	PRINTED	100053 THE ADAM HILL COMPANY	2,651.08			
504097	01/30/2026	PRINTED	103476 THE PROFESSIONAL TREE CAR	235,125.00			
504098	01/30/2026	PRINTED	100595 THOMSON REUTERS	307.54			
504099	01/30/2026	PRINTED	100365 TODD JOHNSON	57,734.40			
504100	01/30/2026	PRINTED	100647 TOWNE FORD	52,128.51			
504101	01/30/2026	PRINTED	100915 TRACTION HEAVY DUTY	94.22			
504102	01/30/2026	PRINTED	103841 TRAVIS VENNARUCCI	250.05			
504103	01/30/2026	PRINTED	101254 TRIPEPI SMITH & ASSOCIATE	2,034.75			

City of Daly City, CA



AP CHECK RECONCILIATION REGISTER

FOR CASH ACCOUNT: 99900000 10001

FOR: Uncleared

CHECK #	CHECK DATE	TYPE	VENDOR NAME	UNCLEARED	CLEARED	BATCH	CLEAR DATE
504104	01/30/2026	PRINTED	100615 TSAI FONG BOOKS INC	533.54			
504105	01/30/2026	PRINTED	100554 TURBO DATA SYSTEMS INC	31,914.68			
504106	01/30/2026	PRINTED	101053 TYLER TECHNOLOGIES INC	7,040.00			
504107	01/30/2026	PRINTED	100783 ULINE INC	1,808.24			
504108	01/30/2026	PRINTED	101822 UNDERGROUND REPUBLIC WATE	4,132.17			
504109	01/30/2026	PRINTED	100664 UNIVAR SOLUTIONS USA INC	7,109.46			
504110	01/30/2026	PRINTED	103006 US FOODS INC	4,754.89			
504111	01/30/2026	PRINTED	103009 VALLEY OIL COMPANY	14,928.48			
504112	01/30/2026	PRINTED	102336 VAN DERYDEN MAKUS LAW CO	4,853.91			
504113	01/30/2026	PRINTED	100135 VERITTY OPERATING COMPANY	2,839.46			
504114	01/30/2026	PRINTED	100603 VERIZON WIRELESS SERVICES	3,826.67			
504115	01/30/2026	PRINTED	101198 VERIZON WIRELESS VSAT	150.00			
504116	01/30/2026	PRINTED	101198 VERIZON WIRELESS VSAT	120.00			
504117	01/30/2026	PRINTED	102347 VICTOR CABATIC	720.00			
504118	01/30/2026	PRINTED	100058 WVR INTERNATIONAL LLC	57.12			
504119	01/30/2026	PRINTED	103864 WARD DONNELLY	720.00			
504120	01/30/2026	PRINTED	103219 WAXIE SANITARY SUPPLY	3,758.58			
504121	01/30/2026	PRINTED	100143 WECO INDUSTRIES LLC	2,727.98			
504122	01/30/2026	PRINTED	100805 WILSEY HAM INC	15,036.55			
504123	01/30/2026	PRINTED	100523 WILMER PUBLIC SAFETY GROU	1,246.37			
504124	01/30/2026	PRINTED	103212 WOON ONN LAI	25.99			
504125	01/30/2026	PRINTED	103863 YANGYANG SHEN	500.00			
504126	01/30/2026	PRINTED	103852 YOJANA PAIZ	500.00			
504127	01/30/2026	PRINTED	103423 YOUNG ELECTRIC COMPANY IN	117,920.56			
504128	01/30/2026	PRINTED	102234 ZOOM ENGINEERING INC	34,232.62			
337 CHECKS CASH ACCOUNT TOTAL				3,528,643.24	.00		

AP CHECK RECONCILIATION REGISTER

	UNCLEARED	CLEARED
337 CHECKS		
FINAL TOTAL	3,528,643.24	.00

** END OF REPORT - Generated by Mei Wu **



City Council Meeting Agenda Report

Item # _____

Meeting Date: February 23, 2026

Subject: Public Hearing to Consider Adoption of an Ordinance Amending Chapter 8.16 of the Daly City Municipal Code Re: Property Maintenance and Nuisance Abatement

SSS

Recommended Action

Staff recommends that the City Council introduce an Ordinance amending Chapter 8.16 of the Daly City Municipal Code regarding Property Maintenance and Nuisance Abatement to recover Attorney's Fees.

Discussion

Under Government Code section 38773.5, the City is authorized to recover attorney's fees in any action, administrative proceeding, or court proceeding to abate a public nuisance, provided the City has adopted an ordinance authorizing the recovery of attorney's fee. Under the Municipal Code, the City is authorized to obtain inspection and abatement warrants from the court. These judicial proceedings can incur significant costs to the City to enforce the City's property maintenance and nuisance abatement laws. Currently, the City is able to recover costs only for the actual costs of abating the nuisance and for the penalties imposed by the City. Staff recommends that the Code be amended to allow for the recovery of reasonable attorney fees incurred as a result of judicial proceedings to enforce nuisance abatement procedures, as authorized by Government Code section 38773.5.

Summary/Conclusion

Staff recommends that the City Council introduce an Ordinance amending Chapter 8.16 of the Daly City Municipal Code regarding Property Maintenance and Nuisance Abatement to recover Attorney's Fees.

Staff is available to provide any additional information desired by the Mayor or Councilmembers.

Respectfully submitted,

Rose Zimmerman
City Attorney

Attachment: Draft Ordinance

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DALY CITY AMENDING
CHAPTER 8.16 OF THE MUNICIPAL CODE RE: PROPERTY MAINTENANCE AND
NUISANCE ABATEMENT

The City Council of the City of Daly City, DOES ORDAIN as follows:

SECTION 1. Section 8.16.460 of the Daly City Municipal Code is hereby added to read as follows:

8.16.460 Attorney Fees and Treble Costs.

- A. Attorney fees. Under Government Code section 38773.5, in any action, administrative proceeding, or special proceeding to abate a nuisance, the prevailing party will be entitled to recover attorney's fees, provided that attorney's fees will be limited to those individual actions or proceedings in which the city elects, at the initiation of that individual action or proceeding, to seek recovery of its own attorneys' fees. In no action, administrative proceeding, or special proceeding, may an award of attorneys' fees to a prevailing party exceed the amount of reasonable attorneys' fees incurred by the city in the action or proceeding.
- B. Order for treble costs. Under Government Code section 38773.7, in addition to any other costs of abatement permitted under this chapter, upon entry of a second or subsequent civil or criminal judgment within a two-year period finding that a property owner or other responsible person is responsible for a condition that may be abated in accordance with this chapter, except for conditions abated pursuant to California Health and Safety Code section 17980, the city may seek and the court may order the property or other responsible person to pay treble the costs of the abatement.

SECTION 2. Environmental Determination. The City Council of the City of Daly City finds and determines that the implementation of measures described in this Chapter is in furtherance police powers of the City of Daly City, and that these purposes are exempt from the provisions of the California Environmental Quality Act (CEQA); Chapter 3 (commencing with Section 21100) of Division 13 of the Public Resources Code, as provided in categorical exemption Classes 1, 4, 5, 7, 8, 9, and or 21 of the CEQA Guidelines (Title 14, *California Code of Regulations*, Sections 15301-15329).

SECTION 3. Effective Date and Publication: This Ordinance shall be published according to law. This ordinance shall become effective thirty (30) days from and after its adoption.

SECTION 4. Severability: If any section, subsection or sentence of this Ordinance is found by a court of competent jurisdiction to be invalid or unlawful, the City Council finds and declares that the remainder of this ordinance would be and is enforceable and would have been adopted notwithstanding the finding of invalidity as to any section, subsection or sentence.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DALY CITY AMENDING
CHAPTER 8.16 OF THE MUNICIPAL CODE RE: PROPERTY MAINTENANCE AND
NUISANCE ABATEMENT

Introduced this _____ day of _____, 2026.

Passed and adopted as an Ordinance of the City of Daly City at a regular meeting of
the City Council of the City of Daly City held on the _____ day of _____, 2026,
by the following vote:

AYES, Councilmembers: _____

NOES, Councilmembers: _____

ABSENT, Councilmembers: _____

CITY CLERK OF THE CITY OF DALY CITY

APPROVED:

MAYOR OF THE CITY OF DALY CITY



City Council Meeting Agenda Report

Item # _____

Meeting Date: February 23, 2026

Subject: LEGACY BUSINESS NOMINATIONS – THIRD INSTALLMENT

Recommendation

Staff recommends the City Council approve all Legacy Business Nominations.

Background

In April 2023, the City Council Adopted of an Amendment to Daly City Municipal Code Chapter 2.58 – Small Business Commission Ordinance to establish a **Legacy Business Program**.

The purpose of the program is to recognize and celebrate the longstanding community-serving, and **culturally relevant** businesses in the City. In addition, the City intends that the Registry be a tool for the provision of promotional assistance to Legacy Businesses to encourage their continued viability and success.

The Daly City Council passed and adopted a Legacy Business Registry ordinance on May 8, 2023 – Ordinance 1464, amending Chapter 2.58 of the Municipal Code regarding the Small Business Commission. Each business was nominated by a Small Business Commissioner and passed review at the Economic and Community Development Department where they met each eligibility criteria.

This item represents the third installment of Legacy Business designations since the program's establishment. The Legacy Business Program continues to serve as a recognition tool and promotional platform to encourage the continued viability and success of longstanding small businesses in Daly City.

Each nominated business was submitted by a Small Business Commissioner, reviewed by the Economic Development Specialist for eligibility, and considered by the Small Business Commission at a duly noticed public meeting.

Discussion

Small Business Commissioners reviewed the nomination at their regular business meeting on February 12, 2026 and discussed the cultural relevance and contributions to history and identity to the neighborhoods and communities of a) **Teeth, Gums and Beyond – The Dental Practice of Dr. Mylene D. Gandingco** b) **Broadmoor Cleaners Laundry & Alteration** c) **Classic Bowling Center** d) **Hilltop Beauty School, Inc.** e) **Colma Auto Body Shop, Inc.**

Listed below are the eligibility criteria for the Legacy Business program as set forth in the ordinance:

a) *Teeth, Gums and Beyond – The Dental Practice of Dr. Mylene D. Gandingco*

1. The business has operated in City of Daly City for ten (10) or more years, with no break in Daly City operations exceeding two years. The business may have operated in more than one location and may have gone through an ownership change.

Teeth, Gums and Beyond – The Dental Practice of Dr. Mylene D. Gandingco opened on May 13, 2014

LEGACY BUSINESS NOMINATIONS – THIRD INSTALLMENT

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2. The business has contributed to the history or identity of the neighborhood or community within which it is located.

Teeth, Gums and Beyond has provided high-quality, compassionate dental care to Daly City residents for many years, building a trusted reputation through consistency, clinical excellence, and strong community relationships. Dr. Gandingco and her team serve multigenerational families with preventive, restorative, and emergency dental services that support the health and confidence of working families.

The practice operates with integrity and transparency, clearly communicating care options and costs while accommodating seniors, children, and patients with language access or mobility needs. The business supports local employment, collaborates with nearby schools and community groups on oral health education, and donates time and supplies to residents who may otherwise delay necessary care.

Recognition in the Legacy Business Registry would honor a small business that has contributed meaningfully to the well-being of Daly City residents through reliable service and patient-centered values.

3. The business is committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms.

Daly City is known for its diverse immigrant population, strong multigenerational families, and neighborhood-centered identity. Teeth, Gums and Beyond reflects these values by providing culturally responsive care to patients from a wide range of backgrounds. The practice fosters continuity of care across generations, creating lasting relationships that strengthen community trust.

The office participates in school-based dental hygiene initiatives, supports youth activities, and provides multilingual resources to ensure families feel welcomed and supported. Its presence within the Westlake corridor contributes to neighborhood vitality and reinforces the importance of locally accessible essential health services. The practice embodies Daly City's identity as a caring, family-oriented community.

4. The business has no pending complaints with the City associated with its operations.

5. The business has a total of 100 or fewer employees across all locations.

6. The business reported less than \$1M in annual gross receipts in its first full year of operating in the City.

b) Broadmoor Cleaners Laundry & Alteration

1. The business has operated in City of Daly City for ten (10) or more years, with no break in Daly City operations exceeding two years. The business may have operated in more than one location and may have gone through an ownership change.

Broadmoor Cleaners Laundry & Alteration opened on January 25, 2016.

LEGACY BUSINESS NOMINATIONS – THIRD INSTALLMENT

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2. The business has contributed to the history or identity of the neighborhood or community within which it is located.

Since assuming ownership in 2016, Shay D. has transformed Broadmoor Cleaners into a true community anchor. She operates with exceptional dedication and a service-first philosophy, opening early and often remaining open late to accommodate working families.

Shay is known by many regular customers as “Aunti Shay,” reflecting the strong personal relationships she has cultivated. She is dependable, efficient, and treats customers with warmth and respect. In an era increasingly dominated by impersonal services, Broadmoor Cleaners preserves the personal connection that defines neighborhood-based commerce.

3. The business is committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms.

Broadmoor Cleaners contributes to Daly City’s identity by maintaining the human element in local business. The shop provides essential services, including alterations, wash and fold, and professional garment care, while fostering trust and familiarity within the community.

By continuing to operate under the Broadmoor name along the Junipero Serra corridor, the business honors the history of the Broadmoor and Westlake districts. It represents the resilience and work ethic of Daly City’s immigrant and small business communities and demonstrates how quality service and kindness sustain long-standing neighborhood institutions.

4. The business has no pending complaints with the City associated with its operations.

5. The business has a total of 100 or fewer employees across all locations.

6. The business reported less than \$1M in annual gross receipts in its first full year of operating in the City.

c) Classic Bowling Center

1. The business has operated in City of Daly City for ten (10) or more years, with no break in Daly City operations exceeding two years. The business may have operated in more than one location and may have gone through an ownership change.

Classic Bowling Center opened on April 4, 1985

2. The business has contributed to the history or identity of the neighborhood or community within which it is located.

Classic Bowl has been a cornerstone of family recreation in Daly City since 1985. With 60 lanes, it is one of the largest bowling venues in San Francisco and San Mateo counties. The facility provides affordable, family-friendly entertainment and has remained resilient amid changes in the regional recreational landscape.

LEGACY BUSINESS NOMINATIONS – THIRD INSTALLMENT

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Classic Bowl continues to deliver access to a traditional sport in a welcoming environment that serves residents of all ages.

3. The business is committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms.

Since its establishment, Classic Bowl has functioned not only as a bowling alley but also as a community gathering space. It attracts a diverse customer base reflective of Daly City's demographic composition and serves as a hub for social and cultural connection.

The venue has hosted philanthropic fundraisers, youth activities, and cultural programs. It has longstanding ties to local figures and community events. Classic Bowl represents Daly City's recreational heritage and continues to provide a safe, inclusive environment for families.

4. The business has no pending complaints with the City associated with its operations.

5. The business has a total of 100 or fewer employees across all locations.

6. The business reported less than \$1M in annual gross receipts in its first full year of operating in the City.

d) Hilltop Beauty School, Inc

1. The business has operated in City of Daly City for ten (10) or more years, with no break in Daly City operations exceeding two years. The business may have operated in more than one location and may have gone through an ownership change.

Hilltop Beauty School, Inc opened on September 8, 1964.

2. The business has contributed to the history or identity of the neighborhood or community within which it is located.

Hilltop Beauty School has provided vocational education and workforce training in cosmetology for over 45 years. The school has supported thousands of students in developing professional skills, contributing directly to career mobility and economic participation within Daly City and the greater Bay Area.

In addition to training future professionals, the school offers affordable beauty services to residents, increasing accessibility to personal care services while providing hands-on student experience.

3. The business is committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms.

Hilltop Beauty School has been a fixture along the Mission Street corridor since 1979. Its commitment to workforce development and entrepreneurship reflects Daly City's culture of small business growth and immigrant-driven enterprise. The school's longevity demonstrates sustained relevance and community trust.

4. The business has no pending complaints with the City associated with its

LEGACY BUSINESS NOMINATIONS – THIRD INSTALLMENT

Meeting Date: February 23, 2026

operations.

5. The business has a total of 100 or fewer employees across all locations.

6. The business reported less than \$1M in annual gross receipts in its first full year of operating in the City.

e) *Colma Auto Body Shop, Inc.*

1. The business has operated in City of Daly City for ten (10) or more years, with no break in Daly City operations exceeding two years. The business may have operated in more than one location and may have gone through an ownership change.

Colma Auto Body Shop, Inc. opened on May 1975

2. The business has contributed to the history or identity of the neighborhood or community within which it is located.

Colma Auto Body Shop has provided high-quality collision repair and auto body services to Daly City residents for over 45 years. The business has restored vehicles for multiple generations of families, ensuring safety and reliability on local roads.

Its longstanding presence demonstrates consistent workmanship, customer service, and operational resilience.

3. The business is committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms.

Located on Mission Street, Colma Auto Body Shop has witnessed decades of neighborhood evolution while maintaining its commitment to quality and service. The business represents the durability of Daly City's locally owned service sector and contributes to the stability of the Mission Street commercial corridor.

4. The business has no pending complaints with the City associated with its operations.

5. The business has a total of 100 or fewer employees across all locations.

6. The business reported less than \$1M in annual gross receipts in its first full year of operating in the City.

Fiscal Impact

Approval of the 2026 Legacy Business nominations has no direct General Fund impact beyond minimal administrative and event-related costs already accounted for within the Economic & Business Development Division's adopted budget.

Anticipated costs include:

LEGACY BUSINESS NOMINATIONS – THIRD INSTALLMENT

Meeting Date: February 23, 2026

- Production of recognition plaques for each designated Legacy Business
- Modest event-related expenses for the annual Legacy Business recognition ceremony, including venue setup and materials
- Updates to the City's online Legacy Business Registry and promotional materials

These costs are absorbed within the Division's existing operating budget and primarily consist of staff time and minor materials expenses. No new appropriations are required.

The Legacy Business designation does not include direct financial subsidies or incentives. The program is a recognition and promotional initiative designed to support small business retention, corridor stability, and economic vitality through visibility and community engagement.

Conclusion

The City will provide recognition plaques to each business awarded with the Legacy Business designation. An online registry with the awarded Legacy Businesses will continue to be developed. A celebration event recognizing the Legacy Businesses includes salaried staff time to assist in the production and event space at City Hall. The Legacy Business Celebration typically takes place during Small Business Week, set for May 3 – 9, 2026.

City staff and Small Business Commissioners will continue to work cooperatively to nominate small businesses that have contributed to the identity of Daly City's neighborhoods and cultural relevance in our community and recommended for City Council approval.

Staff is available to provide any additional information sought by the Mayor and Councilmembers.

Respectfully submitted,



Maybelle Manio
Economic & Community Development
Specialist



City Council Meeting Agenda Report

Item # _____

Meeting Date: February 23, 2026

**Subject: Four Lot Subdivision and at 933-969 Crocker Avenue
– Minor Subdivision SUB-07-24-16596 and Design Review DR-08-24-16609**

Recommended Action

The Planning Commission recommends that the City Council approve the parcel map for a lot split from one to four parcels and Design Review for the construction of one single-family residence with one accessory dwelling unit on each parcel.

Planning Commission Discussion

On February 3, 2026, the Planning Commission voted 5-0 to recommend that the City Council approve the Minor Subdivision Parcel Map for a lot split of a vacant lot from one to four parcel and Design Review for the construction of one single-family residence with one accessory dwelling unit on each parcel. The following issues were raised at the meeting:

Staff informed the Commissioners that a letter of support for the project was received on 2/3/26 from The California Housing Defense FUND (CalHDF).

Commissioner Faapuaa asked about the foundation proposed for the residential buildings and the architect's experience designing projects on hillsides. Architect Lee mentioned that he has worked hillside projects and explained that due to the steep slope the buildings will use a pier/pile system with retaining walls to support the buildings. Lee explained that the architecture team has consulted with geotechnical and structural engineers for the best structural design for the project as well as has licensed plumbers, structural engineers, electricians and building contractors on the team working on the project.

Commissioners asked about the removal of the large trees at the rear of the property below the project site. The architect explained that they consulted closely with the Fire Department which requested the large trees on the lot be removed due to fire hazard.

Public Comment: A resident, Berman Louie, who lives in house on Templeton Avenue, to the north of the project site, expressed concerns regarding privacy after the trees are removed and the bio-retention area. Staff clarified that the bio-retention area is for stormwater runoff filtration and will only have ground cover plantings, no trees. The architect and the property owner responded that the Fire Department requested the large Eucalyptus trees and dense vegetation be removed to reduce fire hazard on the property. The owner explained that the removal of the trees will also reduce tree maintenance from falling branches and leaves onto to adjacent property. Regarding privacy, the architect stated the difficulty to address privacy in the building design, given the steep slope and urban city environment. The owner suggested blinds, shades and curtains are useful for privacy.

Background

The project site is a 13,051 (0.3 acre) vacant property zoned single-family residential (R1) within the residential medium density (R-MD) land use designation. The lot contains a north facing downhill slope of 25%. The property is located on the north side of Crocker Avenue, between Templeton Avenue and Point Pacific Drive (Attachment A – Location Map). The applicant, Ramon Lei, is requesting approval to subdivide the 0.29-acre vacant lot into four parcels and construct one single-family residence with one accessory dwelling unit (ADU) on each parcel, for a total of eight residential units. The proposed subdivision map would result in each building being situated on four individual parcels.

This application is like the proposed four lot subdivision application (SUB-10-10-2809 and design review (DR-10-10-2809) for four single-family homes that the Planning Commission and City Council approved in 2012. The project was ultimately not pursued due to financial constraints (Attachment B – Project Description).

Proposed Project

The applicant, Wing Lee, is requesting to subdivide one lot into four parcels and receive design review approval to construct one single-family residence with accessory dwelling unit on each parcel. Design review includes review of the site plan, architectural building design and materials, and landscape plan.

The proposal is to subdivide an existing vacant 13,051 sf (0.3 acres) lot into four lots fronting Crocker Avenue. The proposed four parcel lot areas would be 3,065 square feet for lot 1 (eastern lot), 2,878 square feet for lot 2, 2,773 square feet for lot 3 and 4,334 square feet for lot 4 (western lot). Lot 4 will be larger than the other three lots due to an existing public utility easement along the western edge of the lot.

Once subdivided, the applicant would construct one single-family dwelling with ADU on each lot. Each single-family dwelling will be approximately 2,300 square feet in net area with each ADU about 800 square feet net at the basement two level. Each single-family home will have four parking spaces (two garage spaces and two off-street spaces). Parking is not required for the basement ADUs.

Each single-family building would consist of four stories with backyard access by an exterior stairway located on the east side of each building. The Basement 2 level would include a one-bedroom ADU with deck. Basement 1 would include a kitchen open to dining room, bathroom and deck. The ground floor would consist of a living room, bathroom, closet, deck, primary entry and two car garage. The second floor would include three bedrooms, three-bathroom, laundry closet, a deck and three skylights (located in each bathroom and the interior stairwell). There is an interior stairway to provide access to the three floors of the single-family residence. The access to the Basement 2 ADU is provided by an exterior east side staircase from the front elevation ground level to the rear ADU entry, as well as access to the backyard for both the single-family residence and ADU dwelling (Attachment C – Tentative Map and Plans, Sheets A1.1 to A1.14).

Minor Subdivision and Site Design

The applicant is required to secure a minor subdivision planning entitlement to subdivide the single lot into four parcels fronting Crocker Avenue for the construction of four single family residences with ADUs. Each residence will consist of four stories: basement two, basement one, ground floor and second floor. The building heights at the front are 22'-3" from the ground floor to top of parapet. Due to the steep grade of the lot, the overall building height is approximately 55'-5" at the rear elevation (Attachment C – Tentative Map and Plans, Sheet A2.1). Height is defined as vertical distance from the average of the finished ground level at the center of all walls of the building to the highest point of the flat roof.

The subject site is presently vacant, with a 25 percent slope decline running from southeast to northwest and is accessible from Crocker Avenue, an existing improved public right-of-way. Per the zoning code, the proposed lots meet the 25' minimum lot width and 2,500 square feet minimum lot area standards. The four residences comply with the required 20 feet front setback and 10 feet rear setback and height requirements.

The project site design for the four proposed hillside residential buildings utilizes deep foundations (piers/piles), retaining walls, and terracing for stability. Visually, the building uses a multi-level design, expansive glass (walls/windows), and cantilevered decks/terraces to follow the slope. This design maximizes the panoramic views, natural light, and outdoor living spaces that are integrated with the steep terrain (Attachment C – Tentative Map and Plans, Sheet A0.1).

The applicant completed a geotechnical technical study on January 22, 2024, prepared by Smith-Emery San Francisco for staff review. Smith-Emery concluded that based on field exploration, laboratory testing and engineering analyses and review of related report and data available, the subsurface soils and geologic conditions are suitable for the proposed construction. The project plans and specifications shall comply with the appropriate engineering design recommendations presented by the study. The geotechnical study was reviewed and approved by third party consultants and city staff.

Design Review

The proposed buildings' architectural design underwent staff review for compliance with Daly City's Municipal Code Chapter 17.45 – Design Review standards and Citywide Objective Design Standards.

Through the initial project application review, staff worked with the applicant's architect to develop an architectural concept for the buildings that would be consistent with the design requirements set forth by the Citywide Objective Design Standards and Chapter 17.45 design review standards. The architect's proposed building design is a modern, contemporary design that integrates with the hillside site topography, using terraces, decks, and large windows to take advantage of extensive views and provide additional living spaces. The design also incorporates key architectural vertical and horizontal elements, a variety of exterior materials and colors while being compatible in bulk and mass with the existing two-story homes adjacent to the east and west of the project site.

The applicant has chosen exterior materials and finishes for their sustainability. The new residences feature thermally broken anodized aluminum windows and doors, composite wood panels, and tempered glass railings. Specifically, the exterior materials of the four residences include composite resin panel siding with a combination of black, white and light beige finish, aluminum fin and rails painted with matching finish to adjacent panels and siding, yellow ceramic tile entryways, painted address numbers with illumination from above, dark anodized aluminum doors and windows and 42-inch tempered glass railings with metal cap for the front covered decks (Attachment C – Tentative Map and Plans, Sheet A0.1).

Staff worked with the applicant to refine the building architectural concept with the project architect and conform to the Citywide Objective Design Review standards by incorporating front porches, to provide a setback from the ground and second floor and introduce horizontal overhang and insets as a visual separation between floors. In addition, the design includes a variety of exterior materials, color variation, vertical and horizontal elements and open decks, to reduce the bulk and mass appearance of the home viewed from the street. The side elevations incorporate siding, different colors, vertical and horizontal elements and banding to add visual interest at these elevations (Attachment C – Tentative Map and Plans, Sheet A2.3 and A2.4).

Staff has determined that the proposed architectural residential design complies with the current Daly City Planning Code Chapter 17.45 design review and Citywide Objective Design Standards for single-family residential housing developments including: site design, building design, massing and articulation, windows; building materials, details and color; and hillside design standards.

Landscaping

The landscape plan for the front yard incorporates a permeable grass paver driveway, decomposed gravel, granite pedestrian paver stones and one 15-gallon, Japanese Maple tree in the front of each home. The paved walkway material to the front entrance of each home will be decomposed gravel with granite stone pavers. The overall front design of the development integrates with the surrounding area, enhancing the residential character of the neighborhood. The backyard will consist of a grass lawn and drought tolerant plants adjacent to the fence separating the bio-retention treatment area along the rear property line. The plants located within the bio-retention area will be selected based on the San Mateo County Water Pollution Prevention Program (SMCWPP) appendix A of the Regulated Project Guide (Attachment C – Tentative Map and Plans, Sheet L1.2). Staff supports the proposed landscape plan and the applicant's use of sustainable material and design features that integrate with the surrounding neighborhood and San Bruno Mountain hillside.

Stormwater Management

The project includes the required stormwater treatment plan for the four residential parcels. There are three proposed drainage management areas and one treatment area. Treatment management area #1 is in the rear backyard of each parcel, separated by a fence. There will be a 382 square foot bio-retention area along the rear property line of the backyard of all four parcels. This bio-retention area will be accessed for maintenance, inspections and monitoring by a right of way easement located on the westside of parcel four. The stormwater management plan will be subject to separate review and approval by city consultant and staff and is a condition of approval (Attachment C – Tentative Map and Plans, Sheet TM-5.0).

Parking

The zoning regulations require that four parking spaces be provided for each single-family residential unit. The proposed project will include four parking spaces (two garage and two surface spaces) for each single-family unit. Additionally, the applicant has proposed driveways of sufficient length to accommodate two additional space per single-family unit, for a total of 16 on-site parking spaces. Parking for the basement level accessory dwelling units for each parcel are not required. The surface parking driveways for each residence will be 16 feet in length, and the driveway will consist of permeable grass pavers, reducing stormwater runoff into the street.

Zoning Ordinance and General Plan Consistency

The site is zoned single-family residential (R1) and designated residential medium density (R-MD) by the General Plan. This zoning and land use designation allows the construction of residential buildings, subject to tentative subdivision map and design review approval. This land use designation applies to those areas that allow two dwelling units per 2,500-3,000 square foot parcel. These areas are primarily dispersed throughout the older portions of Daly City and correspond to areas developed with duplexes and some multi-family areas where there are small multi-unit buildings located on large lots. Accessory Dwelling Units are permitted on lots with proposed single-family dwellings.

Aside from the Housing Element, the General Plan allows infill housing in existing neighborhoods on underutilized sites, where residential development represents the highest and best use, and where public infrastructure exists to support the intensity of the proposed development. The subject site is situated adjacent to single-family homes. Residential development is the highest and best use for the subject property given its size and shape, and adjacent uses.

Staff has reviewed the proposed subdivision of the single lot into four parcels and construction of four single-family residences with accessory dwelling units and determined that the proposed project is consistent with the zoning ordinance and general plan.

Subdivision Requirements

Pursuant to Section 66474 of the Subdivision Map Act, a legislative body of a city or county may approve a parcel map if it makes the following findings:

1. The proposed subdivision and/or design or improvement must be consistent with applicable general and specific plans.
 - Using the density parameters prescribed by the Residential Medium Density General Plan designation, up to two dwelling units could be constructed each 2,500-3000 square foot parcel given the subject parcel size. The project proposal is to subdivide the lot into four parcels and construct one single-family home and one basement level ADU on each parcel for a total of eight dwelling units. ADUs are allowed in all residential zones. The proposed project is consistent with Daly City's General Plan.

2. The site must be physically suitable for the type and density of the proposed subdivision.
 - Within the subject area, there are predominantly single-family residential dwellings. The parcels are in a fully urbanized area with all public services capable of being extended to the new lots.
3. The design of the proposed subdivision or improvements must not cause substantial environmental damage or injure fish or wildlife or their habitat.
 - Staff has determined that the proposed subdivision will not cause significant environmental damage or injure fish, wildlife, or their habitat. The proposed project would be constructed in a fully urbanized area. A Categorical Exemption per CEQA will be prepared.
4. The design of the proposed subdivision must not cause serious public health problems.
 - The construction of single-family residences on this site must meet Building Code requirements, which set minimum safety standards for new construction. Other City and State regulations will ensure that public health is not at risk.
5. The design of the proposed subdivision or improvements must not conflict with any easements, acquired by the public at large, for access through or use of property within the proposed subdivision.
 - The access to the proposed new lots and utilities for the lots would be available directly from the Crocker Avenue right-of-way. No structures of any kind will be built over easements. Where necessary, permits for utility connections for the newly created lots would be obtained in Daly City.

Utility Providers

The parcel is in a fully urbanized area with all public services capable of being extended to the new lots. Utilities to serve the project are in place within the Crocker Avenue public right-of-way and have the capacity to accommodate additional units. These include electrical, water, sewer, and the availability of telephone internet/cable service and access to public streets.

Fiscal Analysis and Impacts

The construction of one single-family residence with accessory dwelling units on each parcel for a total of eight units will add an incremental demand for City services. Prior to project completion, the project applicant will be required to pay park in-lieu fees as required by Parkland Dedications Ordinance, building permit, plan check, affordable housing, and AB 1600 fees to the city. Upon sale of the residential properties, the future owners will pay property tax to the county, a portion of which will be distributed to the city.

Environmental Assessment

The proposed project is located on a vacant lot in an urban area zoned for residential use. The project is Categorically Exempt per CEQA Guidelines Section 15332: In-Fill Development Projects.

Findings

The Planning Commission has found that, as conditioned, the approval of Minor Subdivision SUB-07-24-016596 and Design Review DR-08-24-016609 would comply with all applicable provisions of Title 16 (Subdivisions) and Title 17 (Zoning) of the Daly City Municipal Code. Approval of the proposed project will not be detrimental to the health, safety, morals, comfort and general welfare of people residing in or working in the neighborhood or be injurious or detrimental to the property and improvements in the neighborhood or the general welfare of the City. Staff recommends that the City Council also adopt findings are based on the following facts:

1. In accordance with Title 17 of the Daly City Municipal Code, as well as applicable State zoning enabling legislation, the City Council conducted a public hearing on February 23, 2026; notice of said hearing was published in a newspaper of general circulation on January 23, 2026, and by posting and first-class mailing to property owners within 300 feet.
2. The City Council reviewed the proposal under the requirements of the California Environmental Quality Act (CEQA) and has determined that it is Categorically Exempt per CEQA Guidelines Section 15332: In-Fill Development Project. The Council has determined, based on the findings specified herein, that the proposed project would have no significant detrimental effect on the environment.
3. The proposed subdivision, together with any provisions for its improvement, is consistent with the objectives, policies, and general land uses as outlined in the Daly City General Plan. More specifically, applying the density parameters prescribed by the Residential Medium-Low General Plan designation, up to four dwelling units could be constructed on the property given the subject subdivided parcel sizes. The proposed land use conforms to Objective 6 in the General Plan Land Use Element, which states that, a pattern of variety in residential densities; types and tenure should be maintained to provide housing opportunities.
4. The site is physically suitable for the type and density of the proposed subdivision. Within the subject area, there are predominantly single-family residential dwellings. The parcels are in a fully urbanized area with all public services capable of being extended to the new lots.
5. Pursuant to standards set by the California Environmental Quality Act, staff has the determined that the proposed subdivision will not cause significant environmental damage or injure fish, wildlife, or their habitat. The proposed project would be constructed in a fully urbanized area.
6. The design of the proposed subdivision and related improvements will not conflict with any easements, acquired by the public at large, for access through or use of property within the proposed subdivision. Access to the proposed new lots and utilities for the lots would be available directly from the Crocker Avenue right-of-way.

7. The newly created lots are physically suitable for both the type and density of the proposed development.
8. The design of the residential buildings would be required to meet all health and safety requirements of the Uniform Building Code and will not cause serious public health problems.
9. The design of the project will not conflict with any easements, acquired by the public at large, for access through or use of property within the proposed subdivision.
10. Utilities to serve the project are in place within the Crocker Avenue public right-of-way and have the capacity to accommodate additional units. These include electrical, water, sewer, and the availability of telephone service and access to public streets.
11. General site considerations, including site layout, open space and topography, orientation and location of buildings, vehicular access, circulation and parking, setbacks, heights, walls, fences, public safety and similar elements have been designed to provide a desirable environment.
12. General architectural considerations, including the character, scale and quality of the design, the architectural relationship with the site and other buildings, building materials, colors, screening of exterior appurtenances, exterior lighting and similar elements have been incorporated to ensure the compatibility of this development with its design concept and the character of other adjacent buildings.
13. The four single-family residential building projects will not have a detrimental effect on sound community planning, the economic, ecological, cultural and aesthetic qualities of the community, and on public health, safety and general welfare.
14. The overall impact on schools, parks, utilities, neighborhood streets, traffic, parking and other community facilities and resources will not be detrimental.

Conditions of Approval

The Planning Commission recommends the City Council approve the Minor Subdivision SUB-07-24-016596 and Design Review DR-08-24-16609, subject to the following conditions and Daly City General Conditions of Approval. Minor deviations from the conditions of approval may be approved by the Planning Division. Significant deviations will require review and approval by the Planning Commission and City Council.

A. DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

General

1. The minor subdivision shall be valid only in conjunction with detailed plans submitted and approved by the City Council. Any modifications required due to the Conditions of Approval

and changes to the plans shall be treated as an amendment and shall be subject to review by a Council Committee appointed by the mayor.

2. All technical corrections or modifications required by the City Engineer shall be incorporated into the Final maps, and all applicable fees paid prior to approval for recordation.
3. The minor subdivision shall conform to the City Standards Conditions for Minor Subdivisions.
4. The minor subdivision shall be valid for a period of two years from the date of City Council approval. The subdivision shall lapse if the parcel map is not recorded within two years. The design review permit is valid for a period of one year.
5. The applicant shall pay park-in-lieu fees, in compliance with DCMC Chapter 16.30 Parkland Dedications. Per DCMC Section 16.30.040.A, the required dedication in this specific case is 0.238 acres. Per DCMC Section 16.30.060, the in-lieu fee shall be based upon said dedication requirement. Per DCMC Section 16.30.090, in-lieu fees are required to be paid to the City of Daly City, prior to approval of the Final Map. The project is subject to full compliance with DCMC Chapter 16.30 Parkland Dedications.

Building Design

6. Prior to the issuance of building permits the texture and color of the front elevation veneer will be approved by the Planning Division.
7. Prior to the issuance of building permits the specific garage doors to be used in the project will be approved by the Planning Division.

Landscaping

8. The applicant shall provide substantial, high-quality landscaping. The use of flowering plants and trees shall be used to reinforce the visual character of the area.
9. Landscaping shall be low-maintenance, drought-resistant and adaptive to Daly City climate. A full landscape plan should be submitted and subject to review by the Planning Division.

B. PUBLIC WORKS DEPARTMENT - ENGINEERING

GENERAL

10. Provide a storm drain study (hydrology and hydraulic study) for the project. The study shall include calculations verifying that post-development stormwater flow and volume does not exceed pre-development stormwater flow and volume from the project site. Additional stormwater flow and volume generated as a result of the development shall be retained on-site. Provide plans for the proposed storm drain system (public or private), including any public storm drain system modifications. Identification of existing and proposed drainage patterns on the site will also be required. Stormwater flow and volume shall not exceed pre-

development conditions for a 2-hour, 10-year storm event, for a duration of 2-hours. Along with the study, a letter from the Engineer-of-Record indicating that the proposed storm drain system (post-development conditions) does not increase runoff above the pre-development conditions shall be submitted to the City Engineer for review and approval.

11. Grading exceeding 50 cubic yards shall require approval of plans and a grading permit. A licensed Civil Engineer shall prepare any grading plans and erosion control plans in conformance with a soil report prepared by a licensed soil engineer or geologist in compliance with NPDES requirements prior to any development on the property.
12. All project improvements shall be ADA compliant.
13. The applicant shall comply with the applicable requirements of the City of Daly City Standard Details and Specifications.
14. An encroachment permit shall be required to be issued by the Public Works Department for all work proposed within the public right-of-way.
15. Following new utility installation, the applicant shall replace areas of street pavement, sidewalk, curb, and gutter damaged by construction to current City standard details and specifications.
16. All electrical and telecommunications services shall be provided through underground connections. There shall be no overhead drops.
17. Provide erosion and storm water pollution plan incorporating the best management practices, including operation and maintenance provisions per the requirements applicable at the time of construction permit application. During the rainy season between October 1st to April 30th, the developer shall submit a revised erosion control plan as necessary/as requested.
18. Provide "will serve" letters of approval by PG&E.
19. No permanent building encroachment including but not limited to awnings, canopies, marquees, signs, windows, balconies, retaining walls, architectural features and mechanical equipment shall be allowed in the Right-of-Way without the written authorization of the City Engineer.
20. All curb, gutter and sidewalk improvements in the public right-of-way shall be designed to current ADA standards and current Daly City Standards.
21. Provide a plan review letter by the geotechnical engineer of record indicating that the grading and drainage plans, and foundation plans have been reviewed and is consistent with the recommendations within the geotechnical investigation report prepared by Smith-Emerly San Francisco, dated January 22, 2024.
22. Prior to Final Map approval, the applicant shall enter into a Landscape Maintenance Agreement in a form acceptable to the City Attorney to ensure the Property Owners will

provide long-term maintenance of all street trees, landscaping, irrigation, and pedestrian-scale lighting installed in the public right-of-way. Design of planting and irrigation system shall minimize the extent of irrigation lines, controllers, and valves in the public right-of-way and shall be reviewed and approved by the City Engineer.

23. The project's electrical transformer shall not be installed within the public right-of-way.
24. Retaining walls for driveways that encroach in the City's right-of-way shall require an encroachment permit issued by the Engineering Division and a Building Permit. The design shall be acceptable to the City.
25. The city has a combined storm/sewer system in the area. City storm drain maps indicate that the 10" line is abandoned. Applicant shall CCTV the 10" line that goes into the PUE to confirm it has been abandoned.

C. PUBLIC WORKS – WATER AND WASTEWATER

26. All water and sewer system construction shall comply with the Daly City Standard Specifications and Drawings.
27. Back flow protection is required on all water services.
28. All water service connections shall be to mains on Crocker Avenue.
29. All sewer discharge shall be to sewer mains on Crocker Avenue.
30. All storm system discharge shall be to mains on Crocker Avenue.
31. Access to the city sewer/storm easement shall be maintained during all phases of construction.
32. The manhole at the northwest corner of the project shall not be impacted at any point during construction.

D. FIRE DEPARTMENT

33. A fire sprinkler system is required. Applicant shall submit plans to NCFA under separate fire permit.
34. Applicant shall provide fire flow information per CFC, Appendix B.
35. Illuminated address identification is required.
36. Utility identification is required.

Recommendation

The Planning Commission recommends that the City Council take the following actions:

1. Adopt the Findings as outlined herein;
2. Affirm the Environmental Assessment;
3. Approve Minor Subdivision SUB-07-24-016596 and Design Review DR-08-24-016609, as conditioned herein.

Staff is available to provide any additional information desired by the City Council.

Respectfully submitted,



Sam Fielding
Associate Planner



Michael VanLonkhuysen
Acting Director
Economic and Community Development

Attachments

- Attachment A – Location Map
- Attachment B – Project Description
- Attachment C – Tentative Map and Project Plans

933-969 Crocker Avenue: Location Map



PROJECT DESCRIPTION OF PROPOSED PROJECT AT 933-969 CROCKER AVENUE

The subject property is a vacant lot measuring approximately 13,051 square feet (about 0.3 acres). Its assessor parcel number is 004-223-110. Zoned R1, the lot features an average downhill slope of 25%.

In 2012, a minor subdivision application (four-lot) with plans for four single-family homes (SUB-10-10-2809, DR-10-10-2809) was approved but was not pursued due to financial constraints. The same owner is now moving forward with a similar project.

The current proposal mirrors the previous application, with plans to subdivide the lot into four parcels. Each parcel will accommodate a single-family home with an attached accessory dwelling unit, resulting in a total of eight units for the entire development. The proposed lot and dwelling breakdown is as follows:

Lot 1 (eastern lot)

Lot area = 3,065 sf
Primary dwelling = 3,373 sf (gross)
ADU = 978 sf (gross)

Lot2:

Lot area = 2,878 sf
Primary dwelling = 3,366 sf (gross)
ADU = 978 sf (gross)

Lot 3:

Lot area = 2,773 sf
Primary dwelling = 3,205 sf (gross)
ADU = 911 sf (gross)

Lot 4 (western lot)

Lot area = 4,334 sf
Primary dwelling = 3,354 sf (gross)
ADU = 877 sf (gross)

Due to an existing public utility easement along the western edge of the lot, the proposed Lot 4 will be larger than the other three lots. Each of the planned dwellings will be four stories high, including a basement. The primary units will each have an approximate area of 2,300 square feet, while the attached accessory dwelling units (ADUs) will each be around 800 square feet.

The proposed design complies with the current Daly City Planning Code regarding building height, setbacks, and parking requirements, and no variance requests are necessary.

The exterior materials and finishes will be chosen for their sustainability. The design will feature thermally-broken anodized aluminum windows and doors, composite wood panels, and tempered glass railings. Grass pavers will be used to ensure a permeable surface for the driveway, complemented by drought-tolerant landscaping. The overall front design of the development will integrate seamlessly with the surrounding area, enhancing the residential character of the neighborhood.

DESIGN REVIEW APPLICATION

SUBDIVISION OF A 13,051-SF LOT INTO FOUR PARCELS WITH REFERENCE TO PREVIOUSLY APPROVED APPLICATION SUB-10-10-2803 AND DR-10-10-2809

EACH LOT IS PROPOSED WITH A NEW 4-STORY SINGLE-FAMILY DWELLING WITH AN ATTACHED ACCESSORY DWELLING UNIT AT THE LOWEST FLOOR.

NEW SIDEWALK PER CITY STANDARDS

PROJECT DIRECTORY

OWNER	ARCHITECT	SURVEYOR	CIVIL ENGINEER
Ramon Lei Far East Realty 1100 Vicente Street San Francisco, CA 94116 T: 415.317.2219 E: fareastrealty2004@yahoo.com	Wing Lee AIA, LEED AP Wing Lee Architects, Inc. 99 Canyon Drive San Francisco, CA 94112 T: 415.297.6493 E: wing@leearchitect.com	Darren Bunting Lea & Braze Engineering, INC. 2495 Industrial Pkwy W Hayward, CA 94545 T 510.887.4086 E: dbunting@leabraze.com	Johnny Chiu PE, QSD Lea & Braze Engineering, INC. 2495 Industrial Pkwy W Hayward, CA 94545 T 510.961.0094 E: jchiu@leabraze.com

GEOTECHNICAL, GEOLOGIST
Patrick Morrison Smith-Emery San Francisco 1940 Oakdale Avenue San Francisco, CA 94124 T 415.642.7326

PLANNING & BUILDING DATA

	PROPOSED
BLOCK / LOT	004-223-1100
ZONING	R1
OCCUPANCY CODE	R3
FIRE SPRINKLER SYSTEM	AUTOMATIC FIRE SPRINKLER
TYPE OF CONSTRUCTION	TYPE V-B

APPLICABLE CODES

ALL CONSTRUCTION SHALL CONFORM:

- 2022 CALIFORNIA BUILDING CODE
- 2022 CALIFORNIA PLUMBING CODE
- 2022 CALIFORNIA MECHANICAL CODE
- 2022 CALIFORNIA ELECTRICAL CODE
- 2022 CALIFORNIA ENERGY CODE
- 2022 DALY CITY MUNICIPAL CODE

DEFERRED PERMIT APPLICATION

FIRE SPRINKLER PERMIT WILL BE FILED SEPARATELY FOR PROPOSED STRUCTURES.

DRAWING INDEX

A0.0 SCOPE OF WORK, PROJECT DIRECTORY, VICINITY MAPS, GENERAL NOTES, DRAWING INDEX, PLANNING / BUILDING DATA

CIVIL	TITLE SHEET
TM 1.0	PARCEL MAP
TM 2.0	PRELIMINARY GRADING & DRAINAGE PLAN
TM 3.0	PRELIMINARY UTILITY PLAN
TM 4.0	PRELIMINARY STORMWATER CONTROL PLAN
TM 5.1	PRELIMINARY STORMWATER CONTROL DETAILS
SU1	TOPOGRAPHIC & BOUNDARY SURVEY
BMP-1	COUNTY BEST MANAGEMENT PRACTICES

LANDSCAPE

L1.1 EXISTING / DEMO LANDSCAPE PLAN
L1.2 PROPOSED LANDSCAPE PLAN

ARCHITECTURAL

A0.1 PROPOSED CONCEPTUAL RENDERINGS
A1.0 PROPOSED SITE PLAN
A1.1 PROPOSED FLOOR PLANS - DWELLING 1 AT LOT 1
A1.2 PROPOSED FLOOR PLANS - DWELLING 1 AT LOT 2
A1.3 PROPOSED FLOOR PLANS - DWELLING 1 AT LOT 3
A1.4 PROPOSED FLOOR PLANS - DWELLING 1 AT LOT 4

A2.1 FRONT ELEVATION (4 DWELLINGS)
A2.2 REAR ELEVATION (4 DWELLINGS)
A2.3 SIDE (NE) ELEVATION - DWELLING 1 AT LOT 1
A2.4 SIDE (SW) ELEVATION - DWELLING 1 AT LOT 1

A3.1 LONGITUDINAL BUILDING SECTION - DWELLING 1 AT LOT 1

AREA TABULATION

Assessor Parcel Number	004-223-110			
Existing lot size	13,050 SF			
Proposed number of lot to be subdivided to	4			
	Lot	Lot	Lot	Lot
Lot designation	1	2	3	4
Proposed lot area	3,065	2,878	2,773	4,334
	Dwelling			
Dwelling	1	2	3	4
	Second floor			
Conditioned space	1,049	1049	1004	919
Deck 2.1	36	36	36	31
Deck 2.2	31	31	31	63
Deck 2.3	52	52	53	60
	Ground floor			
Conditioned space	593	593	547	537
Deck #1	167	167	158	128
Garage	350	350	350	350
Mech / Garbage	72	72	72	85
Common covered entry	211	211	209	228
	B1			
Conditioned space	661	661	592	990
Deck B1	305	305	325	153
Common exterior staircase	79	77	77	76
	B2			
Conditioned space (ADU)	834	834	767	767
Deck B2	107	107	107	88
Exterior utility	37	37	37	22
Common exterior landing	38	38	29	43
	Crawlspace			
Common exterior staircase to rear yard	175	169	168	167
	Primary Residence			
Total conditioned space for Primary Residence	2,303	2,303	2,143	2,446
Total private decks	591	591	603	435
TOTAL proposed area (decks, covered entry, and conditioned)	3,316	3,316	3,168	3,316
	Attached ADU			
Total conditioned space for ADU	834	834	767	767
TOTAL proposed area (including deck)	978	978	911	877
	Common staircases, landings, entry			
Total common staircases, landings	503	495	483	514

EXACT AREA OF EACH PROPOSED DWELLING (AND ADU UNIT) COULD BE REFINED DURING BUILDING PERMIT APPLICATION PHASE

ARCHITECT

WING LEE ARCHITECTS

Wing Lee AIA, LEED AP
99 Canyon Drive
San Francisco CA 94124
T 415.297.6493
www.leearchitect.com

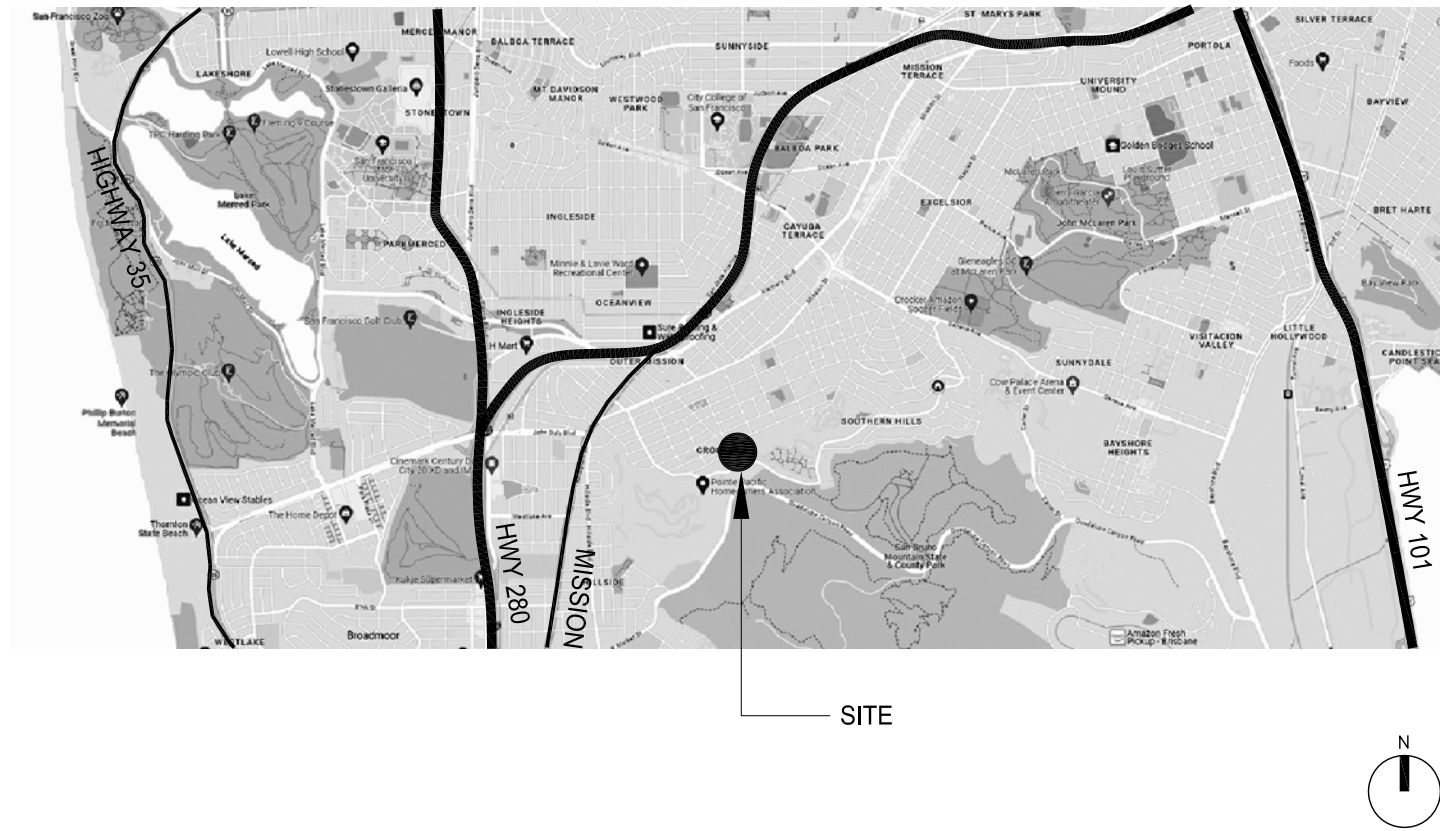
STAMP

CROCKER AVENUE
4 SINGLE-FAMILY DWELLING +
4 ATTACHED ADU UNITS

ISSUE RECORD / DATE
OWNER MEETING 8/2/2023
REVISED PLANS 8/14/2023
BEDROOM DIMENSIONS 9/6/2023
OWNER CONFIRMED DESIGN 11/18/2023
OWNER'S MODIFICATION ON DWELLING #4 11/30/2023
REVISED FINISH FLOOR ELEVATION 5/30/2024
DESIGN REVIEW APPLICATION 7/18/2024
DESIGN REVIEW APPLICATION REVISION #1 3/18/2025
DESIGN REVIEW APPLICATION REVISION #2 11/20/2025

PROJECT

VICINITY MAP



DRAWING TITLE

SCOPE OF WORK,
PROJECT DIRECTORY,
VICINITY MAPS,
SHEET INDEX, AREA
TABULATION

SHEET

A0.0

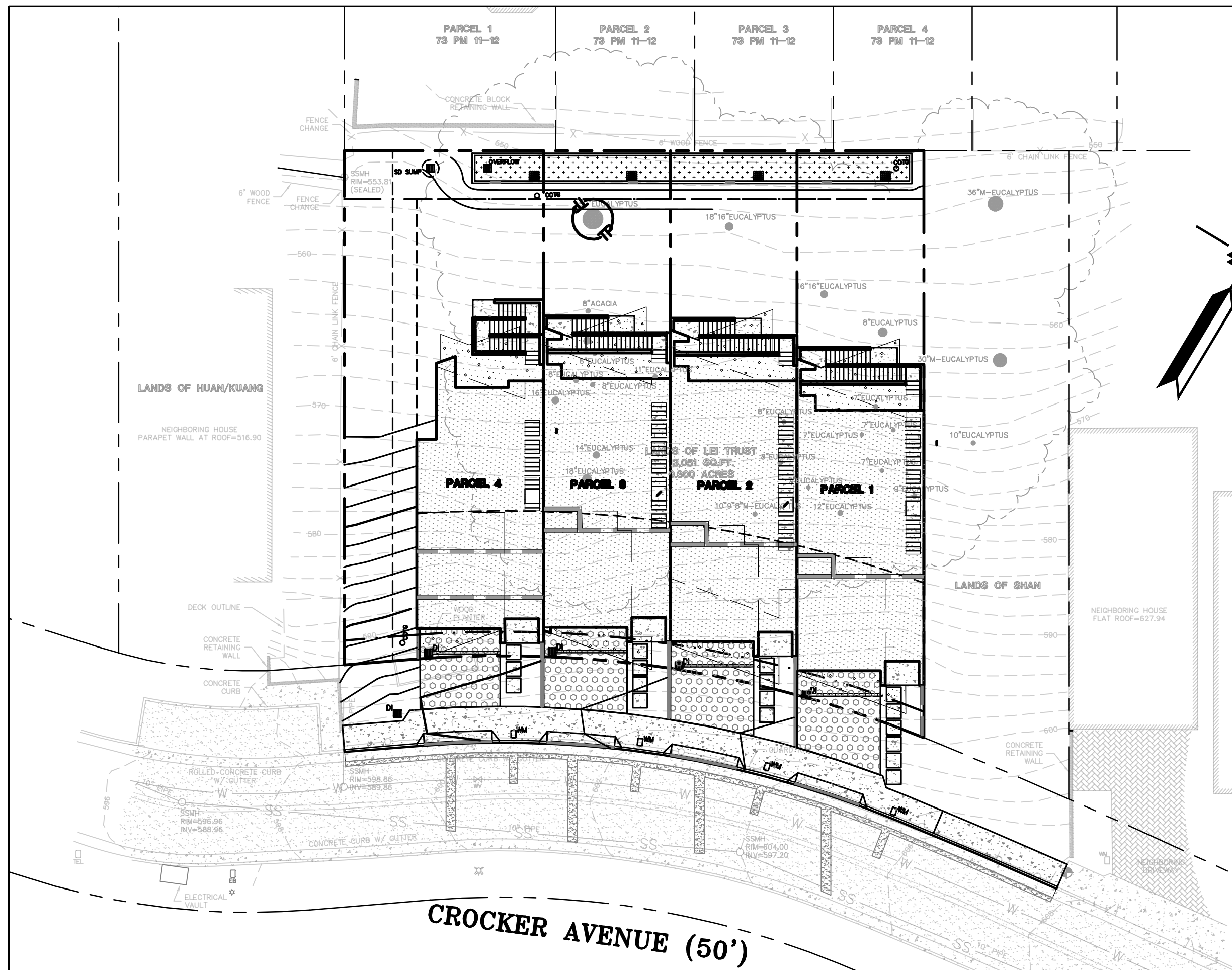
TENTATIVE MAP CROCKER AVENUE DALY CITY, CALIFORNIA

LEGEND

EXISTING	PROPOSED	DESCRIPTION
---	---	BOUNDARY
---	---	PROPERTY LINE
---	---	RETAINING WALL
---	---	LANDSCAPE RETAINING WALL
---	---	RAINWATER TIGHTLINE
---	---	SUBDRAIN LINE
---	---	TIGHTLINE
---	---	STORM DRAIN LINE
---	---	PERFORATED STORM DRAIN LINE
---	---	SANITARY SEWER LINE
---	---	WATER LINE
---	---	GAS LINE
---	---	PRESSURE LINE
---	---	JOINT TRENCH
---	---	SET BACK LINE
---	---	CONCRETE VALLEY GUTTER
---	---	EARTHEN SWALE
---	---	CATCH BASIN
---	---	JUNCTION BOX
---	---	AREA DRAIN
---	---	CURB INLET
---	---	STORM DRAIN MANHOLE
---	---	FIRE HYDRANT
---	---	SANITARY SEWER MANHOLE
---	---	STREET SIGN
---	---	SPOT ELEVATION
---	---	FLOW DIRECTION
---	---	DEMOLISH/REMOVE
---	---	BENCHMARK
---	---	CONTOURS
---	---	TREE TO BE REMOVED
---	---	TREE PROTECTION FENCING

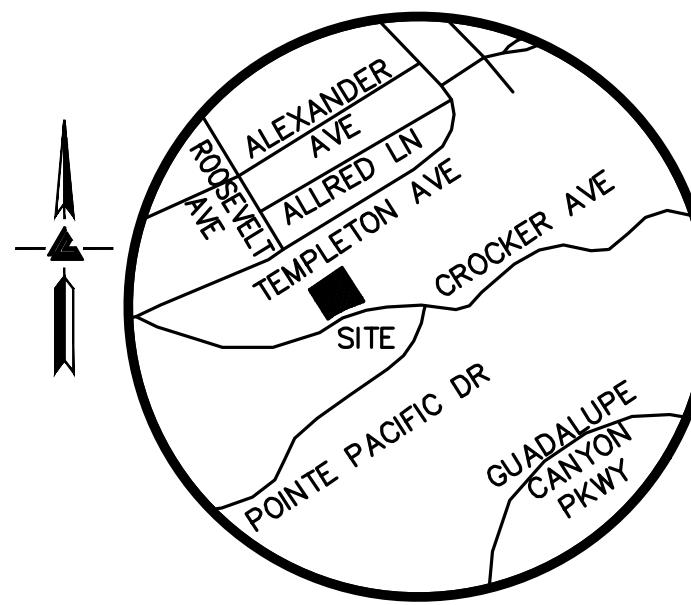
ABBREVIATIONS

AB	AGGREGATE BASE	LF	LINEAR FEET
AC	ASPHALT CONCRETE	MAX	MAXIMUM
ACC	ACCESSIBLE	MH	MANHOLE
AD	AREA DRAIN	MIN	MINIMUM
BC	BEGINNING OF CURVE	MON.	MONUMENT
B & D	BEARING & DISTANCE	MRO	METERED RELEASE OUTLET
BM	BENCHMARK	NEW	NEW
BSBL	BUILDING SETBACK BOUNDARY LINE	(N)	NUMBER
BUB	BUBBLER BOX	NTS	NOT TO SCALE
BW/FG	BOTTOM OF WALL/FINISH GRADE	O.C.	ON CENTER
CB	CATCH BASIN	O/	OVER
C & G	CURB AND GUTTER	(PA)	PLANTING AREA
CL	CENTER LINE	PED	PEDESTRIAN
CPP	CORRUGATED PLASTIC PIPE (SMOOTH INTERIOR)	PIV	POST INDICATOR VALVE
CO	CLEANOUT	PSS	PUBLIC SERVICES EASEMENT
COTG	CLEANOUT TO GRADE	P	PROPERTY LINE
CONC	CONCRETE	PP	POWER POLE
CONST	CONSTRUCT or -TION	PUE	PUBLIC UTILITY EASEMENT
CONC COR	CONCRETE CORNER	PVC	POLYVINYL CHLORIDE
CY	CUBIC YARD	R	RADIUS
D	DIAMETER	RCP	REINFORCED CONCRETE PIPE
DI	DROP INLET	RIM	RIM ELEVATION
DIP	DUCTILE IRON PIPE	RW	RAINWATER
EA	EACH	R/W	RIGHT OF WAY
EC	END OF CURVE	S	SLOPE
EG	EXISTING GRADE	S.A.D.	SEE ARCHITECTURAL DRAWINGS
EL	ELEVATIONS	SAN	SANITARY
EP	EDGE OF PAVEMENT	SD	STORM DRAIN
EQ	EQUIPMENT	SDMH	STORM DRAIN MANHOLE
EW	EACH WAY	SHT	SHEET
(E)	EXISTING	S.L.D.	SEE LANDSCAPE DRAWINGS
FC	FACE OF CURB	SPEC	SPECIFICATION
FF	FINISHED FLOOR	SS	SANITARY SEWER
FG	FINISHED GRADE	SSCO	SANITARY SEWER CLEANOUT
FL	FLOW LINE	SSMH	SANITARY SEWER MANHOLE
FS	FINISHED SURFACE	ST	STREET
G	GAS	STA	STATION
GA	GAGE OR GAUGE	STD	STANDARD
GB	GRADE BREAK	SUB	SUBDRAIN
HDPE	HIGH DENSITY CORRUGATED POLYETHYLENE PIPE	T	TELEPHONE
HORIZ	HORIZONTAL	TC	TOP OF CURB
HI PT	HIGH POINT	TOW	TOP OF WALL
H&T	HUB & TACK	TEMP	TEMPORARY
ID	INSIDE DIAMETER	TP	TOP OF PAVEMENT
INV	INVERT ELEVATION	TW/FG	TOP OF WALL/FINISH GRADE
JB	JUNCTION BOX	TYP	TYPICAL
JT	JOINT TRENCH	VC	VERTICAL CURVE
JP	JOINT UTILITY POLE	VCP	VITRIFIED CLAY PIPE
L	LENGTH	VERT	VERTICAL
LNDG	LANDING	W/	WITH
		W, WL	WATER LINE
		WM	WATER METER
		WWF	WELDED WIRE FABRIC



KEY MAP

1" = 20'



VICINITY MAP
NO SCALE

OWNER'S INFORMATION

OWNER:
RAMON LEI
1100 VICENTE STREET
SAN FRANCISCO, CA

REFERENCES

- THIS TENTATIVE MAP IS SUPPLEMENTAL TO:
- TOPOGRAPHIC SURVEY BY LEA & BRAZE ENGINEERING INC., ENTITLED:
"TOPOGRAPHIC SURVEY"
APN: 004-223-110
DALY CITY, CA
DATED: 09-22-23
JOB# 2231392
 - ARCHITECTURAL PLANS BY WING LEE ARCHITECTS ENTITLED:
"CROCKER AVENUE"
APN: 004-223-110
DALY CITY, CA
DATED: 05-30-24
REVISED: 02-13-25
 - SOIL REPORT BY SMITH-EMERY SAN FRANCISCO ENTITLED:
"GEOTECHNICAL ENGINEERING INVESTIGATION"
APN: 004-223-110
DALY CITY, CA
FILE# 74112-1/REPORT# 23-018
DATED: 01-22-24

UTILITIES/SERVICE PROVIDERS

WATER	CITY OF DALY CITY
SEWER	CITY OF DALY CITY
GAS	PACIFIC GAS AND ELECTRIC (PG&E)
ELECTRICITY	PACIFIC GAS AND ELECTRIC (PG&E)
TELEPHONE	AT&T
FIRE	CITY OF DALY CITY

EASEMENT NOTE

EASEMENTS ARE SHOWN PER PRELIMINARY TITLE REPORT ISSUED BY FIDELITY NATIONAL TITLE COMPANY, TITLE NO. FSMO-6552300170-HR, DATED AS OF MARCH 22, 2023.

FEMA FLOOD NOTE

PROPERTY COMPLETELY OUT OF SPECIAL FLOOD HAZARD AREA (SFHA)

FLOOD INSURANCE RATE MAP (FIRM)
NO.: 06081C0029F
EFFECTIVE DATE: AUGUST 2, 2017

UTILITY NOTE

ALL UNDERGROUND PIPE TYPES, SIZES AND LOCATION SHOWN ON THIS SURVEY ARE BASED ON VISUAL OBSERVATION. ANY USE OF THIS INFORMATION SHOULD BE VERIFIED, BEFORE ITS USE, WITH THE CONTROLLING MUNICIPALITY OR UTILITY PROVIDER. THIS SURVEY MAKES NO GUARANTEE OF THE INSTALLED ACTUAL LOCATION, DEPTHS OR SIZE.

TREE NOTE

TREE SIZE, TYPE AND DRILLPILES ARE BASED ON A VISUAL OBSERVATION. FINAL DETERMINATION SHOULD BE MADE BY THE PROJECT ARBORIST.

NOTES

ALL DISTANCES AND DIMENSIONS ARE IN FEET AND DECIMALS.

BUILDING FOOTPRINTS ARE SHOWN TO FINISHED MATERIAL (STUCCO/SIDING) AT GROUND LEVEL.

FINISH FLOOR ELEVATIONS ARE TAKEN AT DOOR THRESHOLD (EXTERIOR).

THE AREA OF THE SURVEYED LOT IS 13,051± SQUARE FEET / 0.300± ACRES

BASIS OF ELEVATIONS

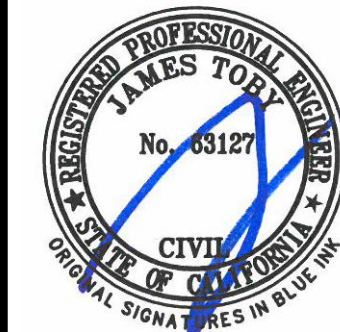
ELEVATIONS ARE BASED UPON NAVD88 VERTICAL DATUM, ESTABLISHED VIA CSDS RTN GNSS OBSERVATIONS.

SITE BENCHMARK

SURVEY CONTROL POINT
CUT CROSS SET IN CONCRETE
ELEVATION = 608.30'
(NAVD 88 DATUM)

SHEET INDEX

TM-1.0	TITLE SHEET
TM-2.0	PARCEL MAP
TM-3.0	PRELIMINARY GRADING & DRAINAGE PLAN
TM-4.0	PRELIMINARY UTILITY PLAN
TM-5.0	PRELIMINARY STORMWATER CONTROL PLAN
TM-5.1	PRELIMINARY STORMWATER CONTROL DETAILS
SU1	TOPOGRAPHIC & BOUNDARY SURVEY
BMP-1	COUNTY BEST MANAGEMENT PRACTICES



LEA & BRAZE ENGINEERING, INC.
CIVIL ENGINEERS • LAND SURVEYORS
REGIONAL OFFICES:
MAIN OFFICE: 1100 VICENTE STREET, WEST
SAN FRANCISCO, CALIFORNIA 94115
(415) 887-4066
WWW.LEABRAZE.COM

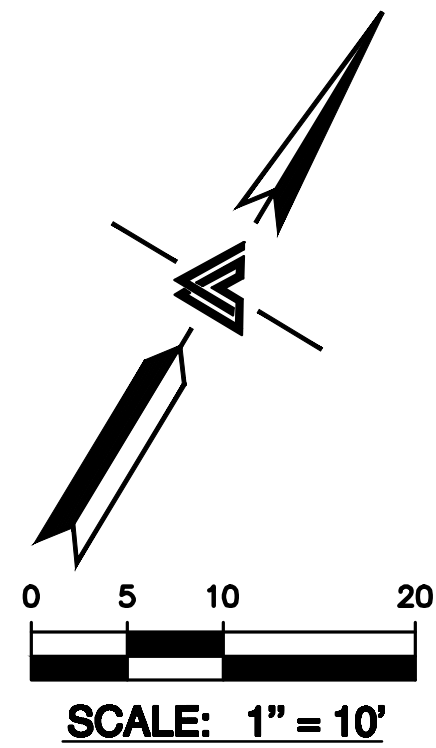
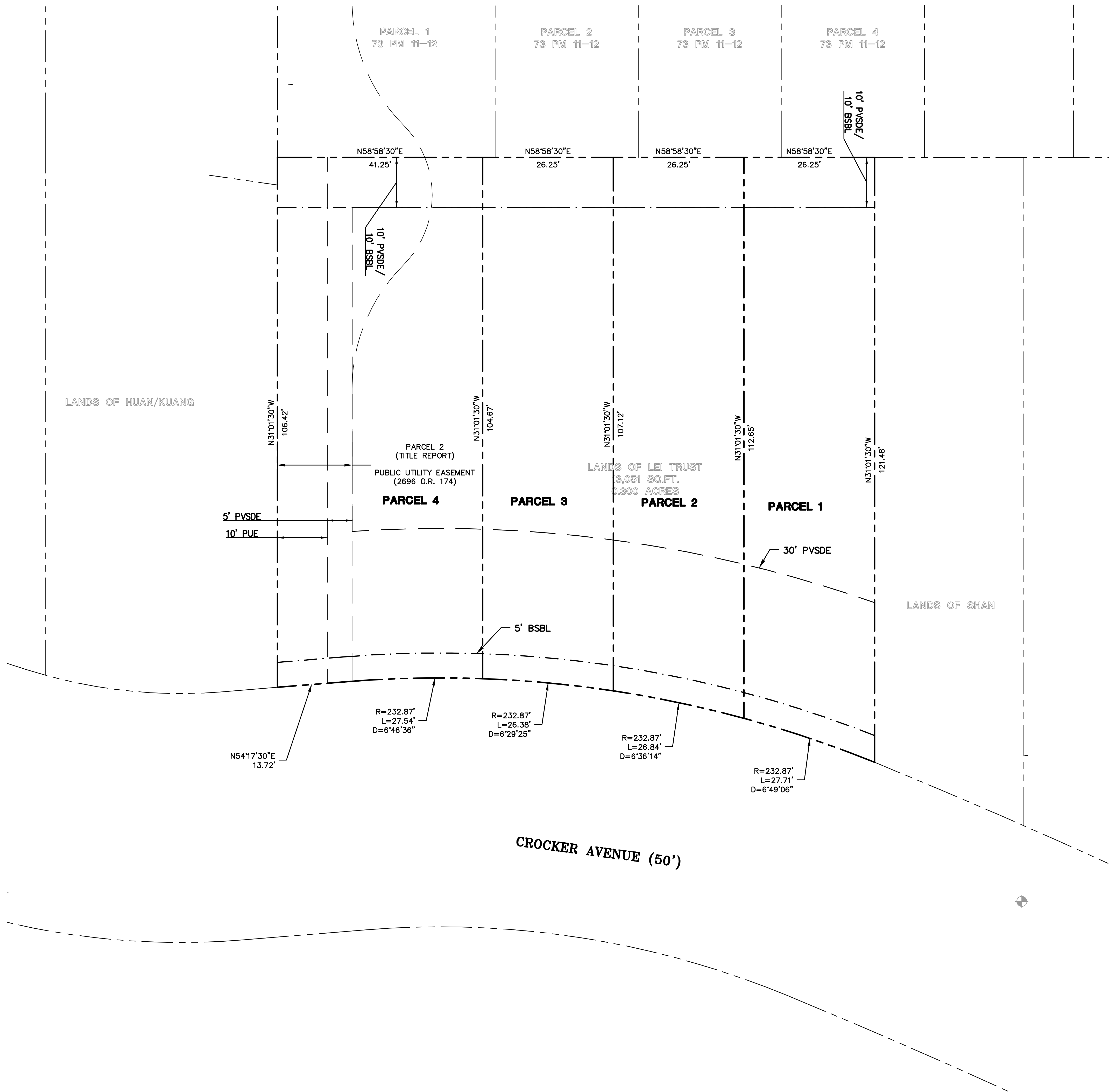
TENTATIVE MAP
CROCKER AVENUE
DALY CITY, CALIFORNIA

APN: 004-223-110

COUNTY OF SAN MATEO

TITLE SHEET

2	PLAN CHECK 2	ET
1	PLANNING PC1	ET
	REVISIONS	BY
	JOB NO:	2231368
	DATE:	07-15-24
	SCALE:	AS NOTED
	DESIGN BY:	AV/RW
	CHECKED BY:	JC
	SHEET NO:	
		TM-1.0
		1 OF 8 SHEETS



LEGEND

--- PROPERTY BOUNDARY
- - - PROPOSED EASEMENT LINE
- - - EXISTING EASEMENT LINE
- - - BUILDING SET BACK LINE

ABBREVIATIONS

PUE PUBLIC UTILITY EASEMENT
BSBL BUILDING SETBACK LINE
PVSDE PRIVATE STORM DRAIN EASEMENT

PARCEL ZONING INFORMATION	
SITE LOCATION	APN: 004-223-110 CROCKER AVENUE DALY CITY, CA
EXISTING ZONING	R1-SINGLE FAMILY
PARCEL #1 ZONING	R1-SINGLE FAMILY
PARCEL #2 ZONING	R1-SINGLE FAMILY
PARCEL #3 ZONING	R1-SINGLE FAMILY
PARCEL #4 ZONING	R1-SINGLE FAMILY

MINIMUM BUILDING/STRUCTURE SETBACK (FT)	
FRONT	5
REAR	10

PARCEL AREA SUMMARY		
PARCEL	GROSS PARCEL AREA (SQFT./ACRES)	NET PARCEL AREA (SQFT./ACRES)
ORIGINAL PARCEL (APN: 004-223-110)	13,050 / 0.300	
PARCEL #1	3,065 / 0.070	2,664 / 0.061
PARCEL #2	2,878 / 0.066	2,481 / 0.057
PARCEL #3	2,773 / 0.064	2,379 / 0.055
PARCEL #4	4,335 / 0.100	3,716 / 0.085

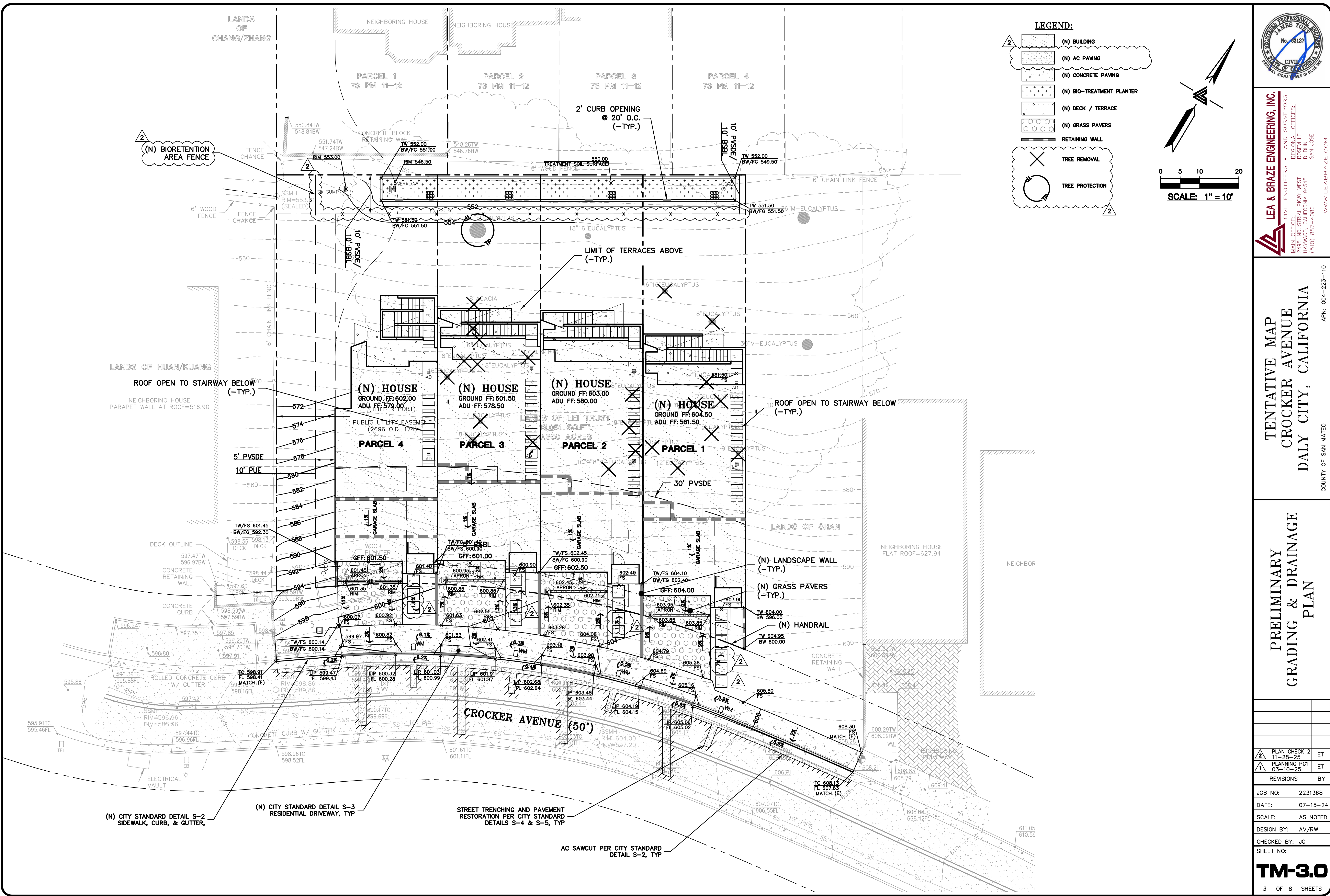


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TENTATIVE MAP
CROCKER AVENUE
DALY CITY, CALIFORNIA
COUNTY OF SAN MATEO
APN: 004-223-110

PARCEL MAP

2	PLAN CHECK 2 11-28-25	ET
1	PLANNING PC1 03-10-25	ET
REVISIONS		BY
JOB NO:		2231368
DATE:		07-15-24
SCALE:		AS NOTED
DESIGN BY:		AV/RW
CHECKED BY:		JC
SHEET NO:		

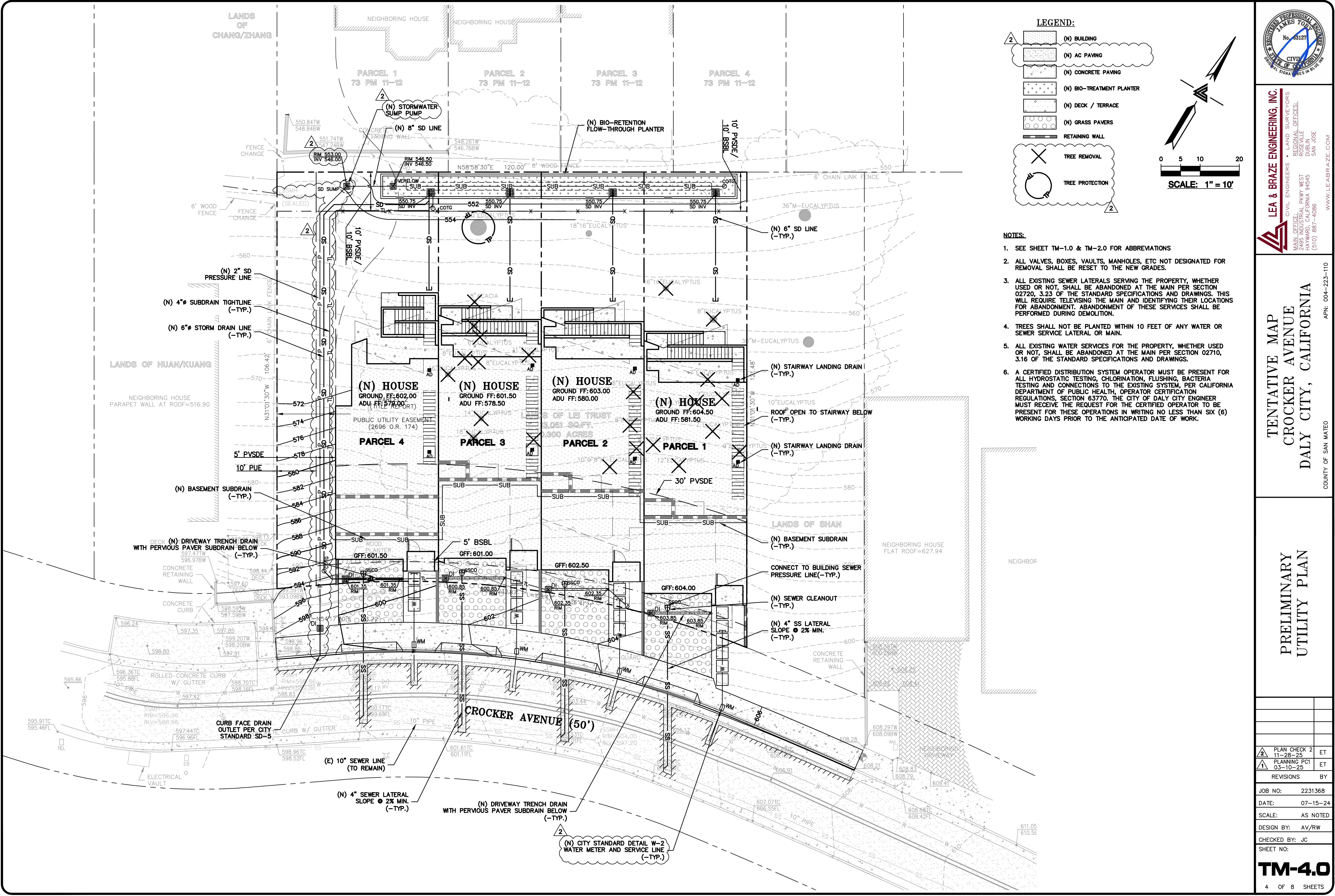


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TENTATIVE MAP
CROCKER AVENUE
DALY CITY, CALIFORNIA
APN: 004-223-110
COUNTY OF SAN MATEO

PRELIMINARY
GRADING & DRAINAGE
PLAN

2	PLAN CHECK 2	ET
1	PLANNING PC1	ET
REVISIONS		BY
JOB NO:		2231368
DATE:		07-15-24
SCALE:		AS NOTED
DESIGN BY:		AV/RW
CHECKED BY:		JC
SHEET NO:		
TM-3.0		
3 OF 8 SHEETS		



LEGEND:

- (N) BUILDING
- (N) AC PAVING
- (N) CONCRETE PAVING
- (N) BIO-TREATMENT PLANTER
- (N) DECK / TERRACE
- (N) GRASS PAVERS
- RETAINING WALL
- TREE REMOVAL
- TREE PROTECTION

SCALE: 1" = 10'

- NOTES:**
- SEE SHEET TM-1.0 & TM-2.0 FOR ABBREVIATIONS
 - ALL VALVES, BOXES, VAULTS, MANHOLES, ETC NOT DESIGNATED FOR REMOVAL SHALL BE RESET TO THE NEW GRADES.
 - ALL EXISTING SEWER LATERALS SERVING THE PROPERTY, WHETHER USED OR NOT, SHALL BE ABANDONED AT THE MAIN PER SECTION 02720, 3.23 OF THE STANDARD SPECIFICATIONS AND DRAWINGS. THIS WILL REQUIRE TELEVISIONING THE MAIN AND IDENTIFYING THEIR LOCATIONS FOR ABANDONMENT. ABANDONMENT OF THESE SERVICES SHALL BE PERFORMED DURING DEMOLITION.
 - TREES SHALL NOT BE PLANTED WITHIN 10 FEET OF ANY WATER OR SEWER SERVICE LATERAL OR MAIN.
 - ALL EXISTING WATER SERVICES FOR THE PROPERTY, WHETHER USED OR NOT, SHALL BE ABANDONED AT THE MAIN PER SECTION 02710, 3.16 OF THE STANDARD SPECIFICATIONS AND DRAWINGS.
 - A CERTIFIED DISTRIBUTION SYSTEM OPERATOR MUST BE PRESENT FOR ALL HYDROSTATIC TESTING, CHLORINATION, FLUSHING, BACTERIA TESTING AND CONNECTIONS TO THE EXISTING SYSTEM, PER CALIFORNIA DEPARTMENT OF PUBLIC HEALTH, OPERATOR CERTIFICATION REGULATIONS, SECTION 63770. THE CITY OF DALY CITY ENGINEER MUST RECEIVE THE REQUEST FOR THE CERTIFIED OPERATOR TO BE PRESENT FOR THESE OPERATIONS IN WRITING NO LESS THAN SIX (6) WORKING DAYS PRIOR TO THE ANTICIPATED DATE OF WORK.

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TENTATIVE MAP
CROCKER AVENUE
DALY CITY, CALIFORNIA

PRELIMINARY UTILITY PLAN

PLAN CHECK 2	11-28-25	ET
PLANNING PC1	03-10-25	ET
REVISIONS	BY	
JOB NO:	2231368	
DATE:	07-15-24	
SCALE:	AS NOTED	
DESIGN BY:	AV/RW	
CHECKED BY:	JC	
SHEET NO:		

TM-4.0
4 OF 8 SHEETS

POST CONSTRUCTION BMP MAINTENANCE AND/OR SOURCE CONTROL MEASURES

FUEL, OIL, PETROLEUM PRODUCTS, PESTICIDES, AND OTHER STORM DRAINAGE POLLUTANT SPILLS NEED TO BE CONTAINED. OWNERS SHALL SE ABSORBMENT MATERIAL ON SMALL SPILLS RATHER THEN HOSING SPILLS DOWN. REMOVE THE ABSORBENT MATERIAL PROMPTLY AND DISPOSE OF PROPERLY, AS REQUIRED BY CITY, STATE AND FEDERAL REGULATIONS.

DRAINAGE INLETS SHALL BE INSPECTED MONTHLY AND KEPT CLEAN OF ANY TRASH THAT MAY HAVE ACCUMULATED. IT IS THE RESPONSIBILITY OF THE PROPERTY MANAGER/OWNER TO HAVE THOSE INSPECTIONS PERFORMED, DOCUMENTED AND ANY REPAIRS MADE.

A. LANDSCAPE MAINTENANCE

LANDSCAPE AREAS SHALL BE COVERED WITH PLANTS OR SOME TYPE OF GROUND COVER TO MINIMIZE EROSION. NO AREAS ARE TO BE LEFT AS BARE DIRT THAT COULD ERODE. MOUNDING SLOPES SHALL NOT EXCEED 2 HORIZONTAL TO 1 VERTICAL.

PESTICIDES AND FERTILIZERS SHALL BE STORED AS HAZARDOUS MATERIALS AND IN APPROPRIATE PACKAGING. OVER SPRAYING ONTO PAVED AREAS SHALL BE AVOIDED WHEN APPLYING FERTILIZERS AND PESTICIDES. PESTICIDES AND FERTILIZERS WILL BE PROHIBITED FROM STORAGE OUTSIDE.

THE LANDSCAPE AREAS SHALL BE INSPECTED AND ALL TRASH PICKED UP AND OBSTRUCTIONS TO THE DRAINAGE FLOW REMOVED ON A MONTHLY BASIS MINIMUM. THIS SITE HAS BEEN DESIGNED WITH EFFICIENT IRRIGATION AND DRAINAGE TO REDUCE PESTICIDE USE. PLANTS HAVE BEEN SELECTED BASED ON SIZE AND ARE SITUATED TO REDUCE MAINTENANCE AND ROUTINE PRUNING.

THE INTEGRATED PEST MANAGEMENT INFORMATION ATTACHED WILL BE PROVIDED TO BUILDING MANAGEMENT.

B. DRAINAGE COLLECTION MANAGEMENT

THE STORM DRAINAGE SYSTEM CONSISTS OF AREA DRAINS, CATCH BASINS, BUBBLERS, COLLECTION AND DISTRIBUTION PIPING, SWALES, AND CLEAN OUTS.

THE STORM DRAINAGE COLLECTION SYSTEM SHALL BE CLEANED YEARLY BY THE PROPERTY MANAGER/OWNER. THE INSPECTION SHALL BE PERFORMED DURING THE DRY SEASON. THIS INCLUDES THE FOLLOWING;

*ALL TRASH AND OBSTRUCTIONS SHALL BE REMOVED FROM AREA DRAINS, BUBBLERS, CLEAN OUTS, AND CATCH BASINS.

C. BIO-TREATMENT AREA

MAINTENANCE AGREEMENT
UPON ACCEPTANCE OF THE DESIGN CONCEPT, A MAINTENANCE AGREEMENT WILL BE DEVELOPED REQUIRING THE PROPERTY MANAGER/OWNER TO PROVIDE THE FOLLOWING INFORMATION ON A ROUTINE BASIS. THESE REQUIREMENTS APPLY ONLY TO THE PORTION OF THE FLOW THROUGH PLANTERS USED FOR STORM WATER TREATMENT.

MAINTENANCE STANDARDS:

*SOILS AND PLANTINGS MUST BE MAINTAINED, INCLUDING ROUTINE PRUNING, MOWING, IRRIGATION, REPLENISHMENT OF MULCH, WEEDING, AND FERTILIZING WITH A SLOW-RELEASE FERTILIZER WITH TRACE ELEMENTS. .

*REMOVE OBSTRUCTIONS AND TRASH FROM FLOW THROUGH PLANTER.

*ONLY PESTICIDES AND FERTILIZERS THAT ARE ACCEPTED WITHIN THE INTEGRATED PEST MANAGEMENT APPROACH FOR USE IN FLOW THROUGH PLANTERS SHALL BE USED.

*EROSION AT INFLOW POINTS MUST BE REPAIRED.

FLOW THROUGH PLANTERS SHALL BE INSPECTED AND MAINTAINED MONTHLY TO REVIEW:

*OBSTRUCTION AND TRASH

*IF PONDED WATER IS OBSERVED, THE SURFACE SOILS SHALL BE REMOVED AND REPLACED AND SUBDRAIN SYSTEM INSPECTED.

*CONDITION OF GRASSES.

D. TRAINING PROGRAM

A COPY OF THE STORM WATER MANAGEMENT PLANS (SWMP) WILL BE MADE AVAILABLE TO PERSONNEL IN CHARGE OF FACILITY MAINTENANCE AND WILL BE DISTRIBUTED TO THE SUBCONTRACTOR REPRESENTATIVE ENGAGED IN THE MAINTENANCE OR INSTALLATION OF THE BMP'S.

MATERIAL PRESENTED IN THE INTEGRATED PEST MANAGEMENT PROGRAM WILL BE MADE AVAILABLE TO PERSONNEL IN CHARGE OF FACILITY MAINTENANCE AND WILL BE DISTRIBUTED TO THE SUBCONTRACTOR REPRESENTATIVE ENGAGED IN THE MAINTENANCE OR INSTALLATION OF THE BMP'S.

A COPY OF THE YEARLY INSPECTION REPORTS SHALL BE MANAGED BY THE PROPERTY MANAGER/OWNER.

THE PROPERTY MANAGER/OWNER SHALL ARRANGE AND PAY FOR FINAL INSPECTION OF INSTALLED TREATMENT MEASURE BY MUNICIPALITY'S STORMWATER INSPECTOR WITHIN 45 DAYS OF INSTALLATION OR PROJECT CONSTRUCTION COMPLETION, WHICHEVER COMES FIRST.

IDENTIFICATION OF POTENTIAL POLLUTANTS:

POSSIBLE POLLUTANTS FOR THIS SITE INCLUDE TRASH, SEDIMENTS, NUTRIENTS, DUST, CONSTRUCTION DEBRIS, AUTOMOBILE DEBRIS, AND PESTICIDES. THE CONSTRUCTION OF THE PROJECT AND THE LONG TERM MAINTENANCE SHOULD NOT ADD ANY OF THE FOLLOWING: COPPER, NICKEL, DIAZINON, MERCURY, CHLORIDANE, DDT, DIELDRIN, AND PCB'S.

BMP DESCRIPTION

THIS PROJECT USES BMP RECOMMENDATIONS FROM THE SAN MATEO COUNTY CLEAN WATER PROGRAM PUBLIC UTILITIES COMMISSION INCLUDING A FLOW THROUGH PLANTER FOR STORMWATER TREATMENT AND DETENTION.

THE SITE IS APPROXIMATELY 13,051 SF. THE DEVELOPMENT WILL ADD APPROXIMATELY 8,294 SF OF IMPERVIOUS SURFACE. THE SITE WILL RETAIN APPROXIMATELY 36% PERVIOUS SURFACES, INCLUDING LANDSCAPING AREA AND BACK PATIO/YARD.

THE SITE IS DIVIDED INTO 3 DRAINAGE MANAGEMENT AREAS (DMA). DMA #1 UTILIZES A BIO-RETENTION TREATMENT PLANTER. DMA #2 CONSISTS OF CONCRETE SIDEWALK, CURB & GUTTER THAT DRAINS TO THE ROADWAY. DMA #3 CONSISTS OF SELF-TREATING LANDSCAPE AREA.

DEVELOPMENT INFORMATION

PARCEL AREA	13,050 SQUARE FEET (0.300 ACRE)			
TOTAL PROJECT AREA	15,733 SQUARE FEET (0.361 ACRE)			
TOTAL DISTURBED AREA	15,733 SQUARE FEET (0.361 ACRE)			
IMPERVIOUS AREA	EXISTING TOTAL S.F.	REMOVED TOTAL S.F.	NEW TOTAL S.F.	PROPOSED TOTAL S.F.
RESIDENCE ROOF*	0	0	6,834	6,834
PATIO, WALKWAY, PADS, ETC.	0	0	444	444
SIDEWALK, CURB & GUTTER	373	373	1,352	1,352
TOTAL IMPERVIOUS AREA	373	373	8,630	8,630
NET CHANGE IN IMPERVIOUS AREA	+8,257 SQUARE FEET (NET INCREASE)			
PERVIOUS PAVING				
GRASSPAVE DRIVEWAY	0	0	939	939
NET CHANGE IN PERVIOUS PAVING AREA	+939 SQUARE FEET (NET INCREASE)			
TOTAL DEVELOPED AREA	373	373	9,569	9,569
NET CHANGE IN DEVELOPED AREA	+9,196 SQUARE FEET (NET INCREASE)			

*HARDSCAPE AREAS BELOW THE RESIDENCE DECKS & ROOF OVERHANG ARE INCLUDED IN THE ROOF AREA

STORMWATER DETENTION INFORMATION

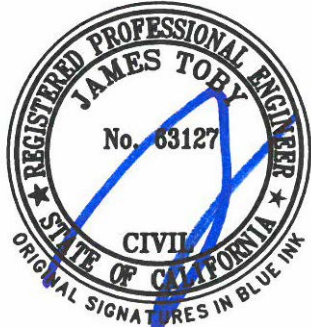
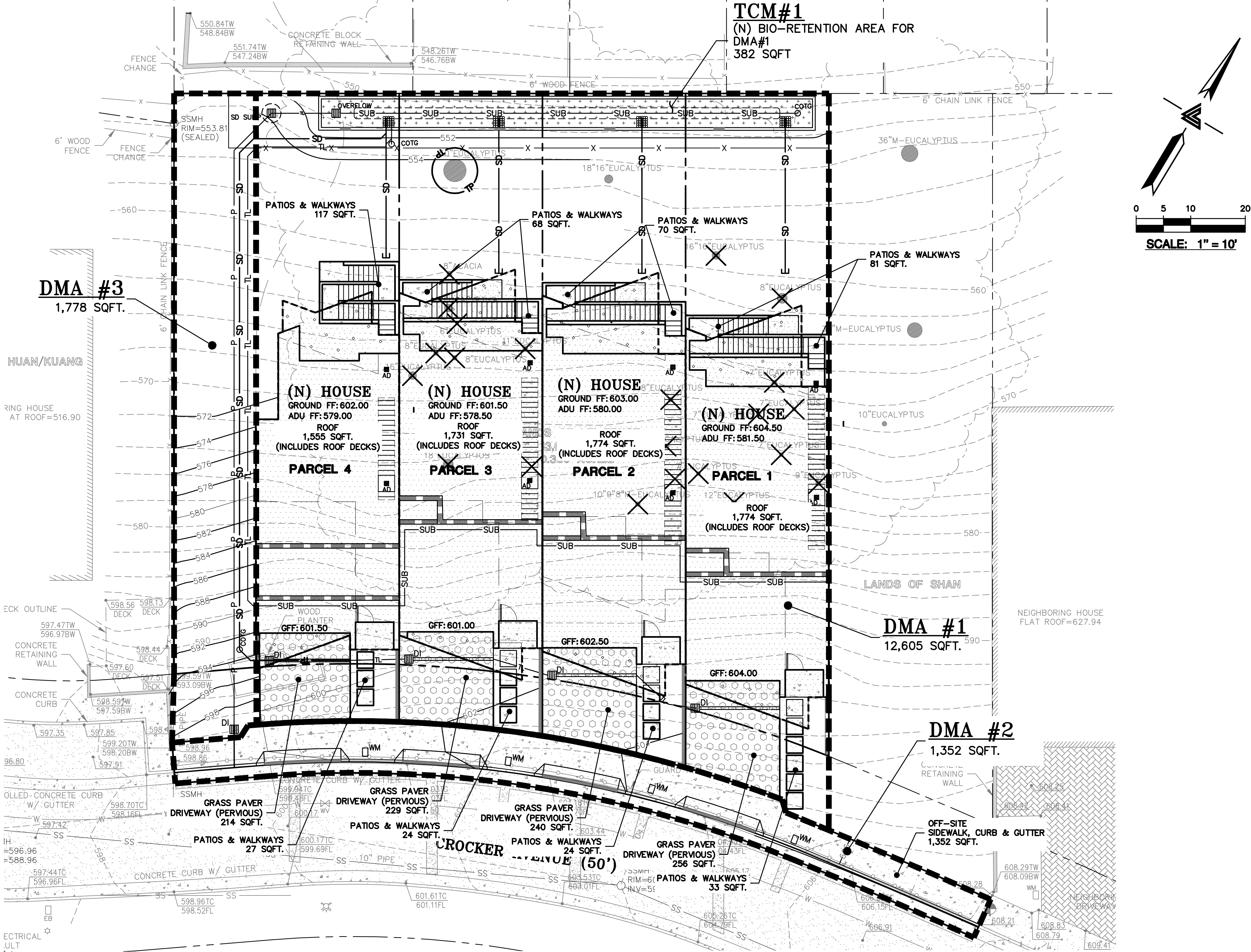
TOTAL PROJECT AREA	15,733 SQUARE FEET (0.361 ACRE)		
AREA SUBJECT TO CAPTURE	12,605 SQUARE FEET (0.289 ACRE)		
IMPERVIOUS AREA	PROPOSED TOTAL S.F.	CAPTURED TOTAL S.F.	UN-CAPTURED TOTAL S.F.
RESIDENCE ROOF*	6,834	6,834	0
PATIO, WALKWAY, PADS, ETC.	444	444	0
SIDEWALK, CURB & GUTTER	1,352	0	1,352
TOTAL IMPERVIOUS AREA	8,630	7,278	1,352
PERVIOUS PAVING			
GRASSPAVE DRIVEWAY	939	939	0
TOTAL DEVELOPED AREA	9,569	8,217	1,352
LANDSCAPE AREA	6,164	4,433	1,731
TOTAL PERVIOUS AREA	7,103	5,372	1,731

STORMWATER RUNOFF INFORMATION

DRAINAGE MANAGEMENT AREA (DMA)	TOTAL DMA AREA (SQ FT)	PRE-CONSTRUCTION RUNOFF (CUFT/SEC)	POST-CONSTRUCTION RUNOFF (WITHOUT METERING) (CUFT/SEC)	POST-CONSTRUCTION RUNOFF (WITH METERING) (CUFT/SEC)
1	12,603	0.073	0.145	0.049
2	1,352	0.008	0.021	0.021
3	1,778	0.010	0.010	0.010
TOTAL	15,733	0.091	0.176	0.080

STORMWATER TREATMENT INFORMATION

DRAINAGE MANAGEMENT AREA (DMA)	TOTAL DMA AREA (SQ FT)	IMPERVIOUS AREA (SQ FT)	TREATMENT AREA REQUIRED (4% OF IMPERVIOUS AREA) (SQ FT)	TREATMENT AREA PROVIDED (SQ FT)	EXCESS TREATMENT AREA (SQ FT)
1	12,603	7,278	292	382	90
2	1,352	1,352	54	0	0
3	1,778	0	SELF-TREATING LANDSCAPE AREA		
TOTAL	15,733	8,630	346	382	36



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TENTATIVE MAP
CROCKER AVENUE
DALY CITY, CALIFORNIA
APN: 004-223-110
COUNTY OF SAN MATEO

PRELIMINARY
STORMWATER CONTROL
PLAN

PLAN CHECK 2 11-28-25	ET
PLANNING PC1 03-10-25	ET
REVISIONS	BY

JOB NO: 2231368

DATE: 07-15-24

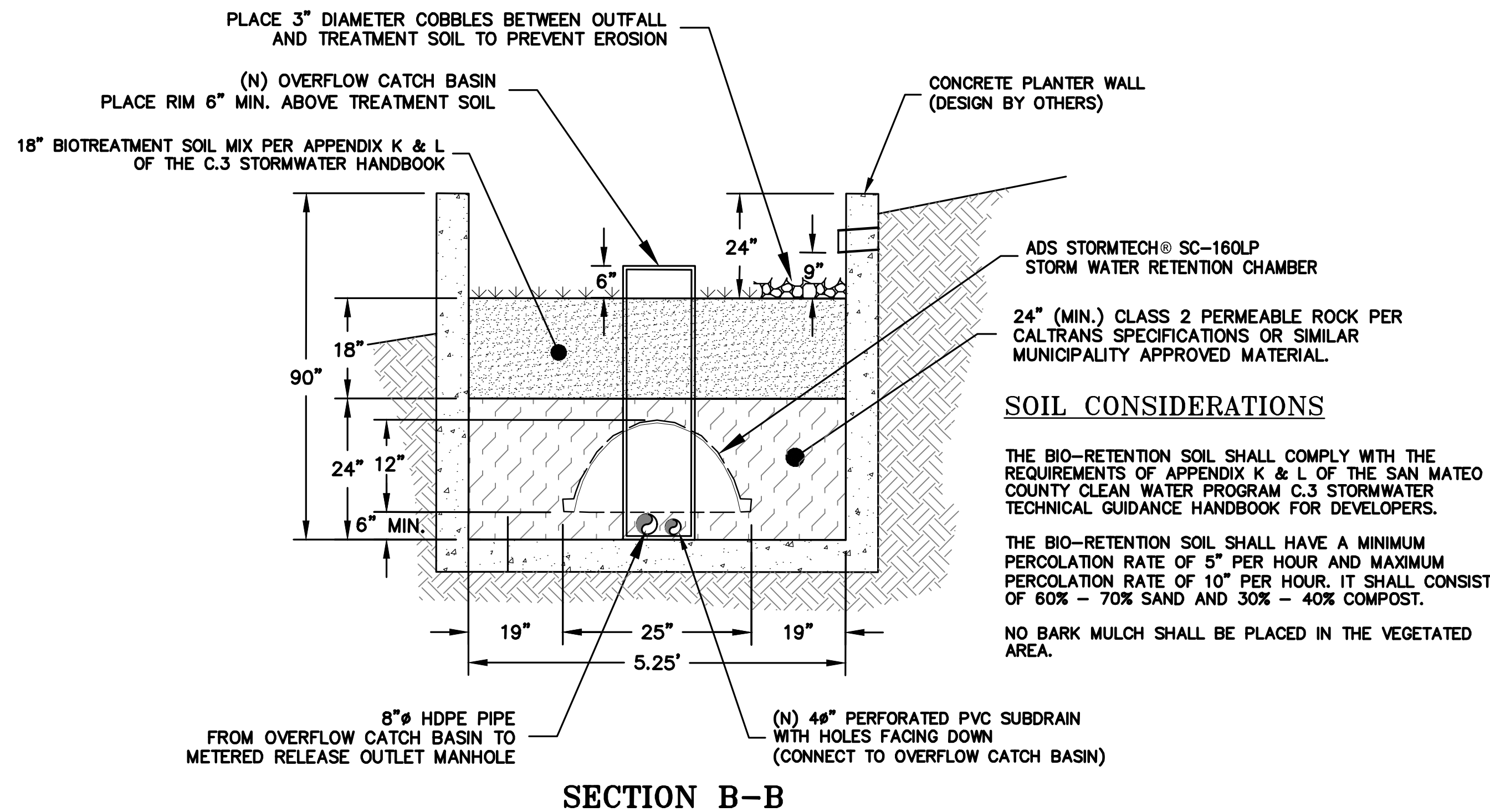
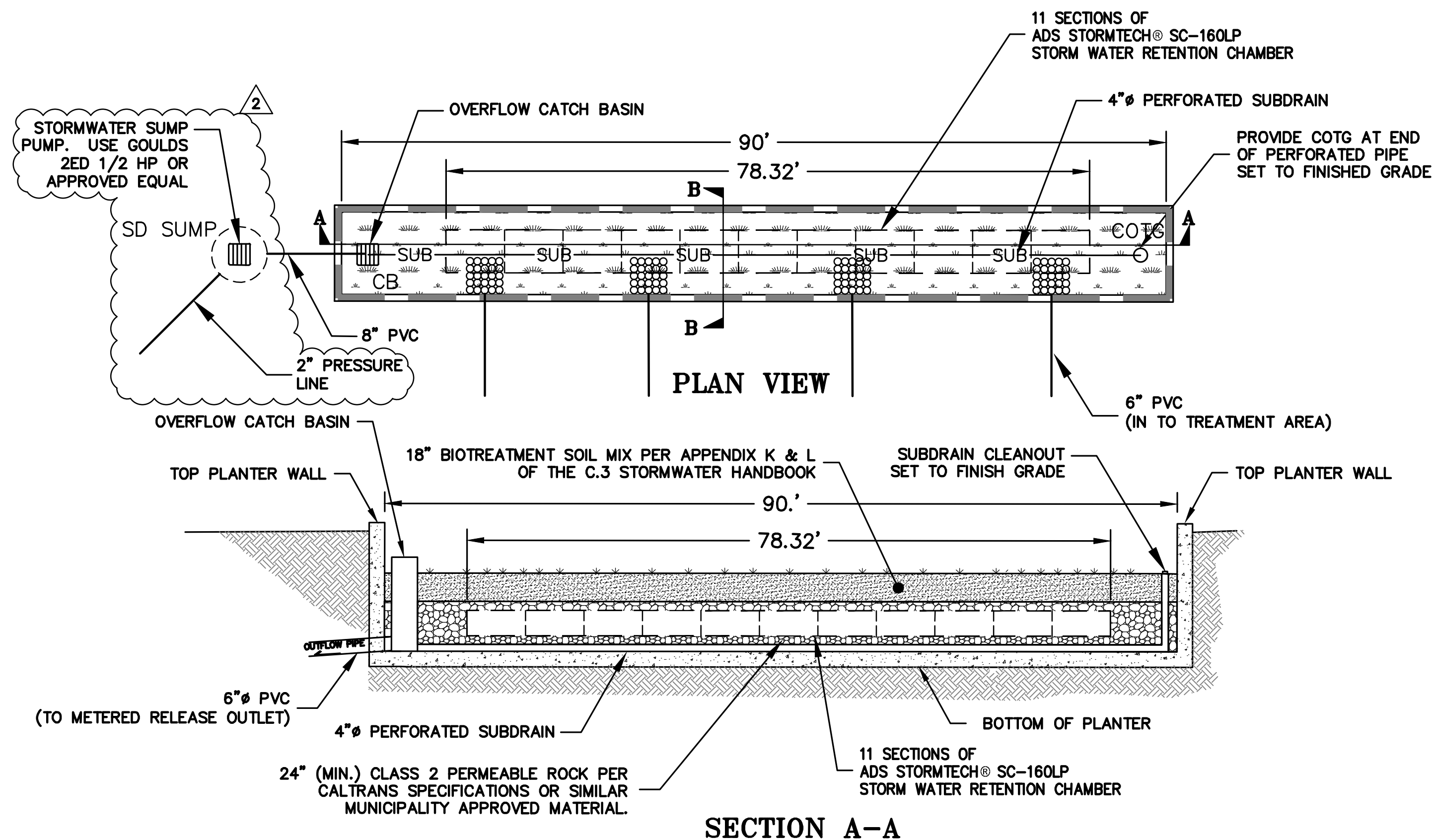
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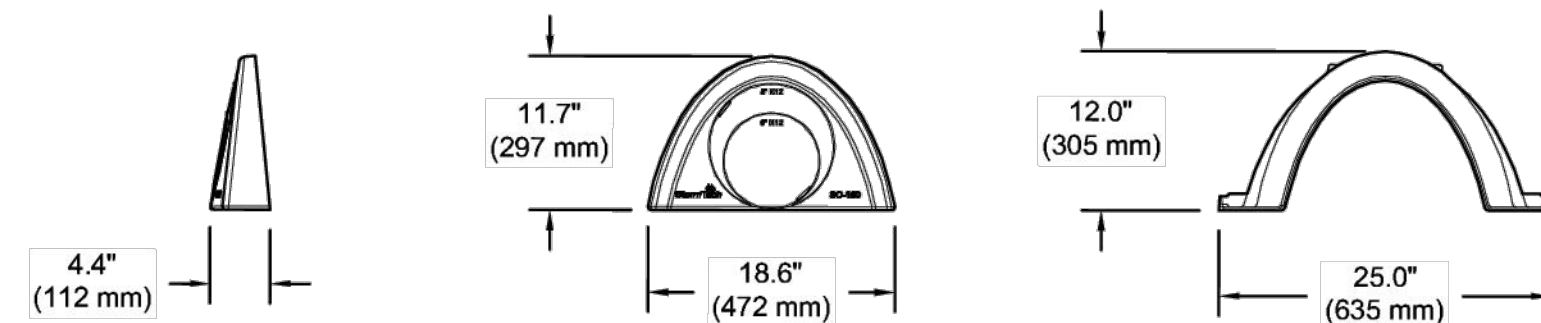
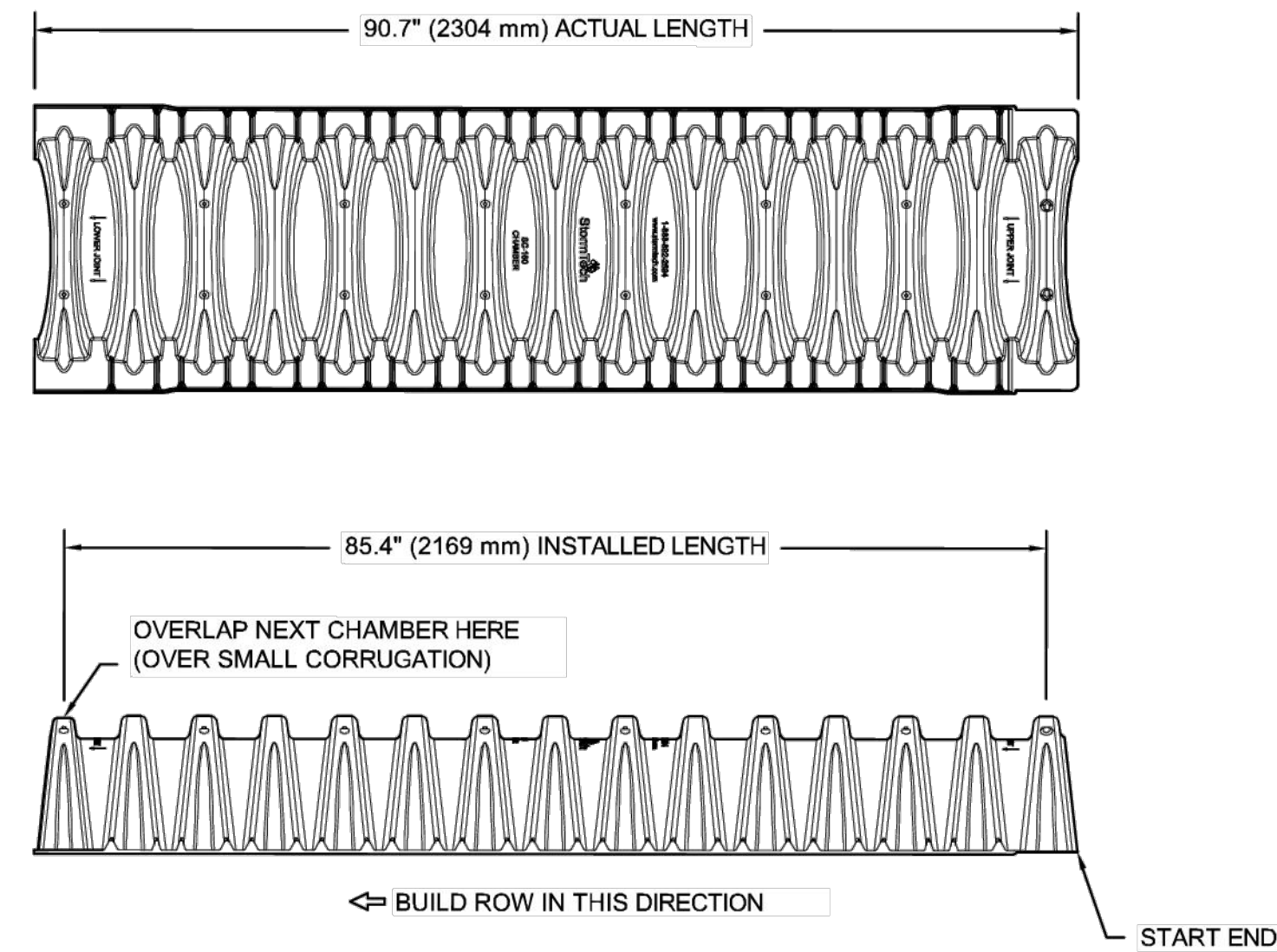
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SHEET NO:

TM-5.0
5 OF 8 SHEETS



1 FLOW THROUGH PLANTER DETAIL
TM-5.1 NTS



NOMINAL CHAMBER SPECIFICATIONS		
SIZE (W X H X INSTALLED LENGTH)	25.0" X 12.0" X 85.4"	(635 mm X 305 mm X 2169 mm)
CHAMBER STORAGE	6.85 CUBIC FEET	(0.19 m³)
MINIMUM INSTALLED STORAGE*	16.0 CUBIC FEET	(0.45 m³)
WEIGHT	24.0 lbs.	(10.9 kg)

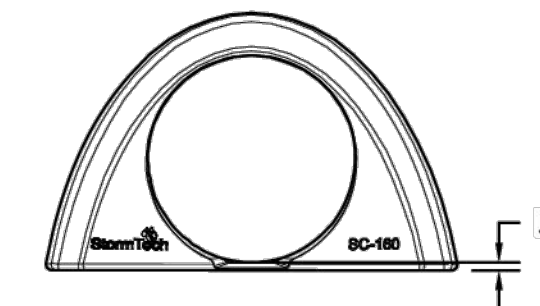
*ASSUMES 6" (152 mm) ABOVE, 6" (152 mm) BELOW, AND STONE BETWEEN CHAMBERS WITH 40% STONE POROSITY.

PART #	STUB	A
SC160IEPP	6" (150 mm)	0.66" (16 mm)
	8" (200 mm)	0.80" (20 mm)
SC160IEPP08	8" (200 mm)	0.96" (24 mm)

ALL STUBS ARE PLACED AT BOTTOM OF END CAP SUCH THAT THE OUTSIDE DIAMETER OF THE STUB IS FLUSH WITH THE BOTTOM OF THE END CAP. FOR ADDITIONAL INFORMATION CONTACT STORMTECH AT 1-888-892-2694.

NOTE: ALL DIMENSIONS ARE NOMINAL

2 SC-160LP TECHNICAL SPECIFICATIONS
TM-5.1 NTS



3 NOT USED
TM-5.1 NTS



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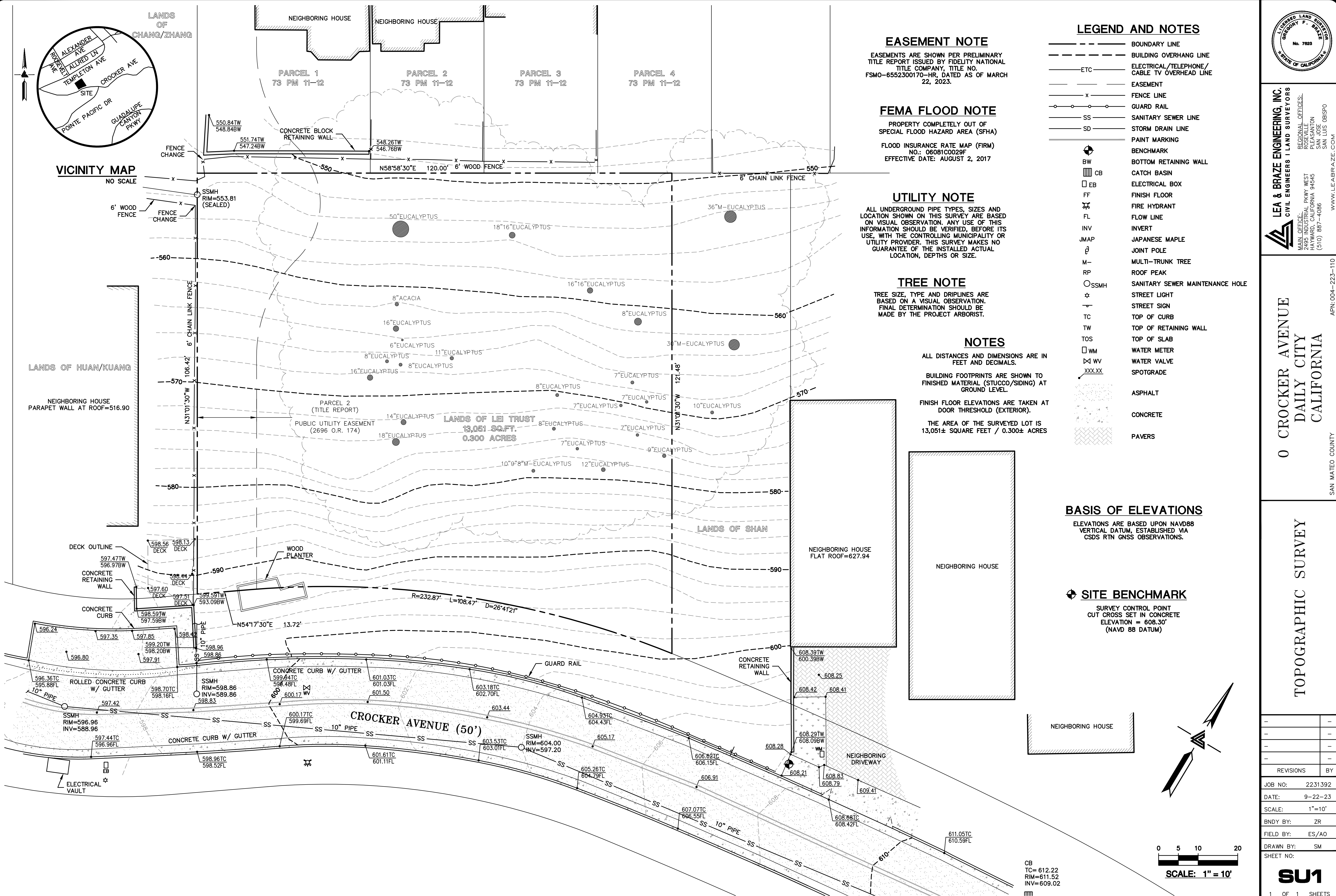
TENTATIVE MAP
CROCKER AVENUE
DALY CITY, CALIFORNIA
COUNTY OF SAN MATEO
APN: 004-223-110

PRELIMINARY
STORMWATER CONTROL
DETAILS

2	PLAN CHECK 2	ET
1	PLANNING PC1	ET
	03-10-25	
	REVISIONS	BY

JOB NO: 2231368
DATE: 07-15-24
SCALE: AS NOTED
DESIGN BY: AV/RW
CHECKED BY: JC
SHEET NO:

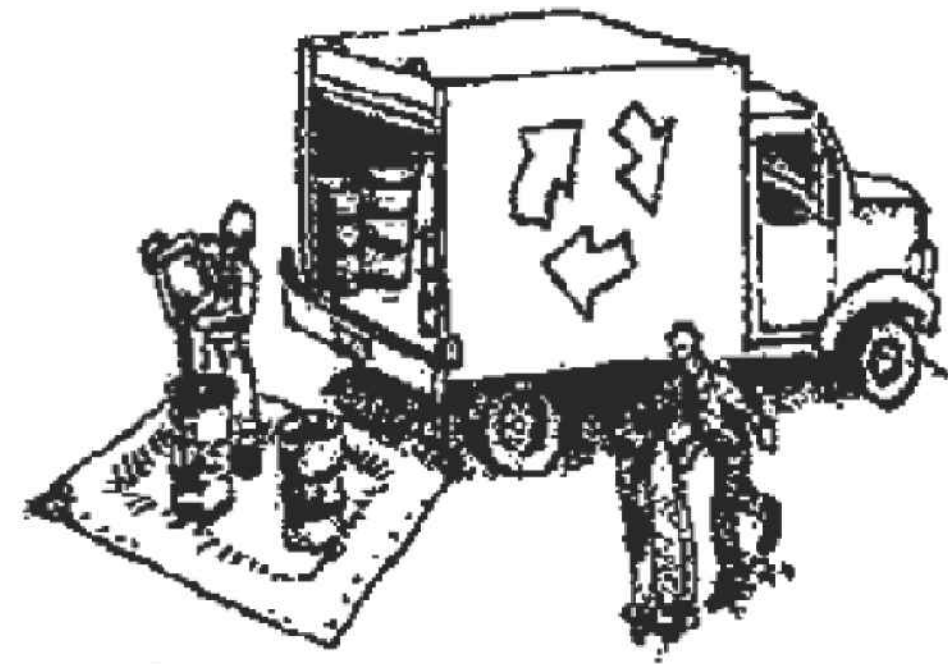
TM-5.1
7 OF 8 SHEETS



Construction Best Management Practices (BMPs)

Construction projects are required to implement year-round stormwater BMPs.

Materials & Waste Management



Non-Hazardous Materials

- ❑ Berm and cover stockpiles of sand, dirt or other construction material with tarps when rain is forecast or when they are not in use.
- ❑ Use (but don't overuse) reclaimed water for dust control.
- ❑ Ensure dust control water doesn't leave site or discharge to storm drains.

Hazardous Materials

- ❑ Label all hazardous materials and hazardous wastes (such as pesticides, paints, thinners, solvents, fuel, oil, and antifreeze) in accordance with City, County, State and Federal regulations.
- ❑ Store hazardous materials and wastes in water tight containers, store in appropriate secondary containment, and cover them at the end of every work day or during wet weather or when rain is forecast.
- ❑ Follow manufacturer's application instructions for hazardous materials and do not use more than necessary. Do not apply chemicals outdoors when rain is forecast within 24 hours.
- ❑ Arrange for appropriate disposal of all hazardous wastes.

Waste Management

- ❑ Cover and maintain dumpsters. Check frequently for leaks. Place dumpsters under roofs or cover with tarps or plastic sheeting secured around the outside of the dumpster. A plastic liner is recommended to prevent leaks. Never clean out a dumpster by hosing it down on the construction site.
- ❑ Place portable toilets away from storm drains. Make sure they are in good working order. Check frequently for leaks.
- ❑ Dispose of all wastes and demolition debris properly. Recycle materials and wastes that can be recycled, including solvents, water-based paints, vehicle fluids, broken asphalt and concrete, wood, and cleared vegetation.
- ❑ Dispose of liquid residues from paints, thinners, solvents, glues, and cleaning fluids as hazardous waste.
- ❑ Keep site free of litter (e.g. lunch items, cigarette butts).
- ❑ Prevent litter from uncovered loads by covering loads that are being transported to and from site.

Construction Entrances and Perimeter

- ❑ Establish and maintain effective perimeter controls and stabilize all construction entrances and exits to sufficiently control erosion and sediment discharges from site and tracking off site.
- ❑ Sweep or vacuum any street tracking immediately and secure sediment source to prevent further tracking. Never hose down streets to clean up tracking.

Equipment Management & Spill Control



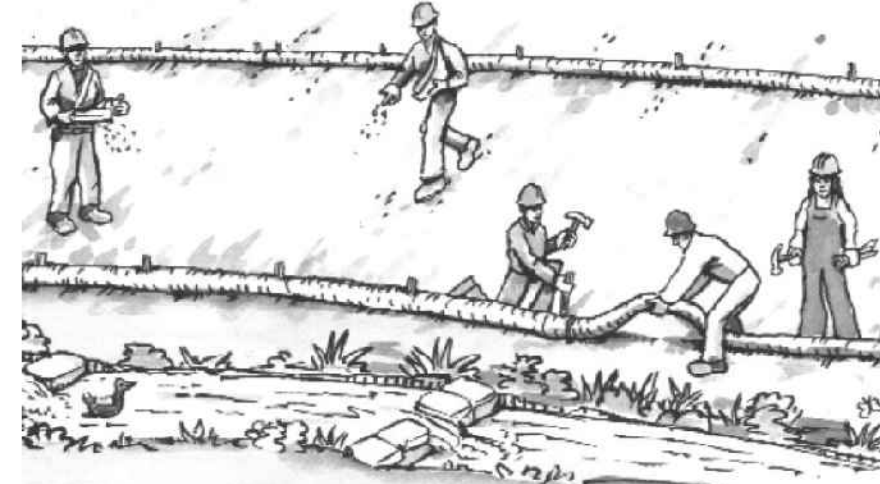
Maintenance and Parking

- ❑ Designate an area of the construction site, well away from streams or storm drain inlets and fitted with appropriate BMPs, for auto and equipment parking, and storage.
- ❑ Perform major maintenance, repair jobs, and vehicle and equipment washing off site.
- ❑ If refueling or vehicle maintenance must be done onsite, work in a bermed area away from storm drains and over a drip pan or drop cloths big enough to collect fluids. Recycle or dispose of fluids as hazardous waste.
- ❑ If vehicle or equipment cleaning must be done onsite, clean with water only in a bermed area that will not allow rinse water to run into gutters, streets, storm drains, or surface waters.
- ❑ Do not clean vehicle or equipment onsite using soaps, solvents, degreasers, or steam cleaning equipment, and do not use diesel oil to lubricate equipment or parts onsite.

Spill Prevention and Control

- ❑ Keep spill cleanup materials (e.g., rags, absorbents and cat litter) available at the construction site at all times.
- ❑ Maintain all vehicles and heavy equipment. Inspect frequently for and repair leaks. Use drip pans to catch leaks until repairs are made.
- ❑ Clean up leaks, drips and other spills immediately and dispose of cleanup materials properly.
- ❑ Use dry cleanup methods whenever possible (absorbent materials, cat litter and/or rags).
- ❑ Sweep up spilled dry materials immediately. Never attempt to "wash them away" with water, or bury them.
- ❑ Clean up spills on dirt areas by digging up and properly disposing of contaminated soil.
- ❑ Report significant spills to the appropriate local spill response agencies immediately. If the spill poses a significant hazard to human health and safety, property or the environment, you must report it to the State Office of Emergency Services. (800) 852-7550 (24 hours).

Earthmoving



Grading and Earthwork

- ❑ Schedule grading and excavation work during dry weather.
- ❑ Stabilize all denuded areas, install and maintain temporary erosion controls (such as erosion control fabric or bonded fiber matrix) until vegetation is established.
- ❑ Remove existing vegetation only when absolutely necessary, plant temporary vegetation for erosion control on slopes or where construction is not immediately planned.
- ❑ Prevent sediment from migrating offsite and protect storm drain inlets, drainage courses and streams by installing and maintaining appropriate BMPs (i.e. silt fences, gravel bags, fiber rolls, temporary swales, etc.).
- ❑ Keep excavated soil on site and transfer it to dump trucks on site, not in the streets.

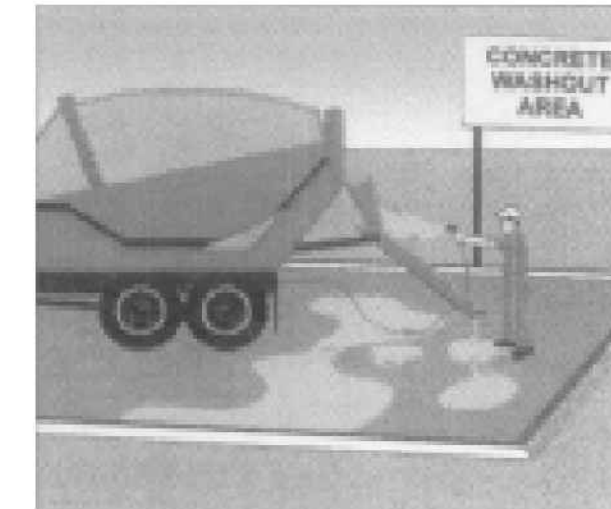
Contaminated Soils

- ❑ If any of the following conditions are observed, test for contamination and contact the Regional Water Quality Control Board:
 - Unusual soil conditions, discoloration, or odor.
 - Abandoned underground tanks.
 - Abandoned wells
 - Buried barrels, debris, or trash.
- ❑ If the above conditions are observed, document any signs of potential contamination and clearly mark them so they are not disturbed by construction activities.

Landscaping

- ❑ Protect stockpiled landscaping materials from wind and rain by storing them under tarps all year-round.
- ❑ Stack bagged material on pallets and under cover.
- ❑ Discontinue application of any erodible landscape material within 2 days before a forecast rain event or during wet weather.

Concrete Management and Dewatering



Concrete Management

- ❑ Store both dry and wet materials under cover, protected from rainfall and runoff and away from storm drains or waterways. Store materials off the ground, on pallets. Protect dry materials from wind.
- ❑ Wash down exposed aggregate concrete only when the wash water can (1) flow onto a dirt area; (2) drain onto a bermed surface from which it can be pumped and disposed of properly; or (3) block any storm drain inlets and vacuum washwater from the gutter. If possible, sweep first.
- ❑ Wash out concrete equipment/trucks offsite or in a designated washout area onsite, where the water will flow into a temporary waste pit, and make sure wash water does not leach into the underlying soil. (See CASQA Construction BMP Handbook for properly designed concrete washouts.)

Dewatering

- ❑ Discharges of groundwater or captured runoff from dewatering operations must be properly managed and disposed. When possible, send dewatering discharge to landscaped area or sanitary sewer. If discharging to the sanitary sewer, call your local wastewater treatment plant.
- ❑ Divert run-on water from offsite away from all disturbed areas.
- ❑ When dewatering, notify and obtain approval from the local municipality before discharging water to a street gutter or storm drain. Filtration or diversion through a basin, tank, or sediment trap may be required.
- ❑ In areas of known or suspected contamination, call your local agency to determine whether the ground water must be tested. Pumped groundwater may need to be collected and hauled off-site for treatment and proper disposal.

Paving/Asphalt Work



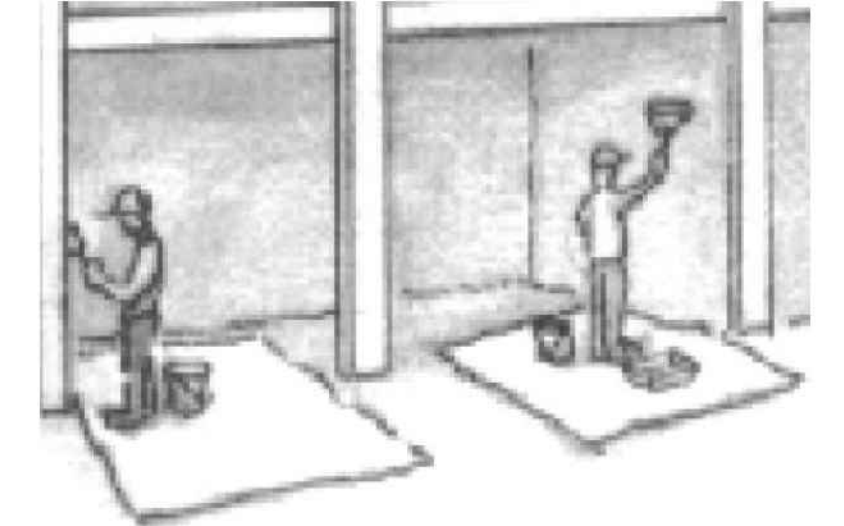
Paving

- ❑ Avoid paving and seal coating in wet weather or when rain is forecast, to prevent materials that have not cured from contacting stormwater runoff.
- ❑ Cover storm drain inlets and manholes when applying seal coat, slurry seal, fog seal, or similar materials.
- ❑ Collect and recycle or properly dispose of excess abrasive gravel or sand. Do NOT sweep or wash it into gutters.

Sawcutting & Asphalt/Concrete Removal

- ❑ Protect storm drain inlets during saw cutting.
- ❑ If saw cut slurry enters a catch basin, clean it up immediately.
- ❑ Shovel or vacuum saw cut slurry deposits and remove from the site. When making saw cuts, use as little water as possible. Sweep up, and properly dispose of all residues.

Painting & Paint Removal



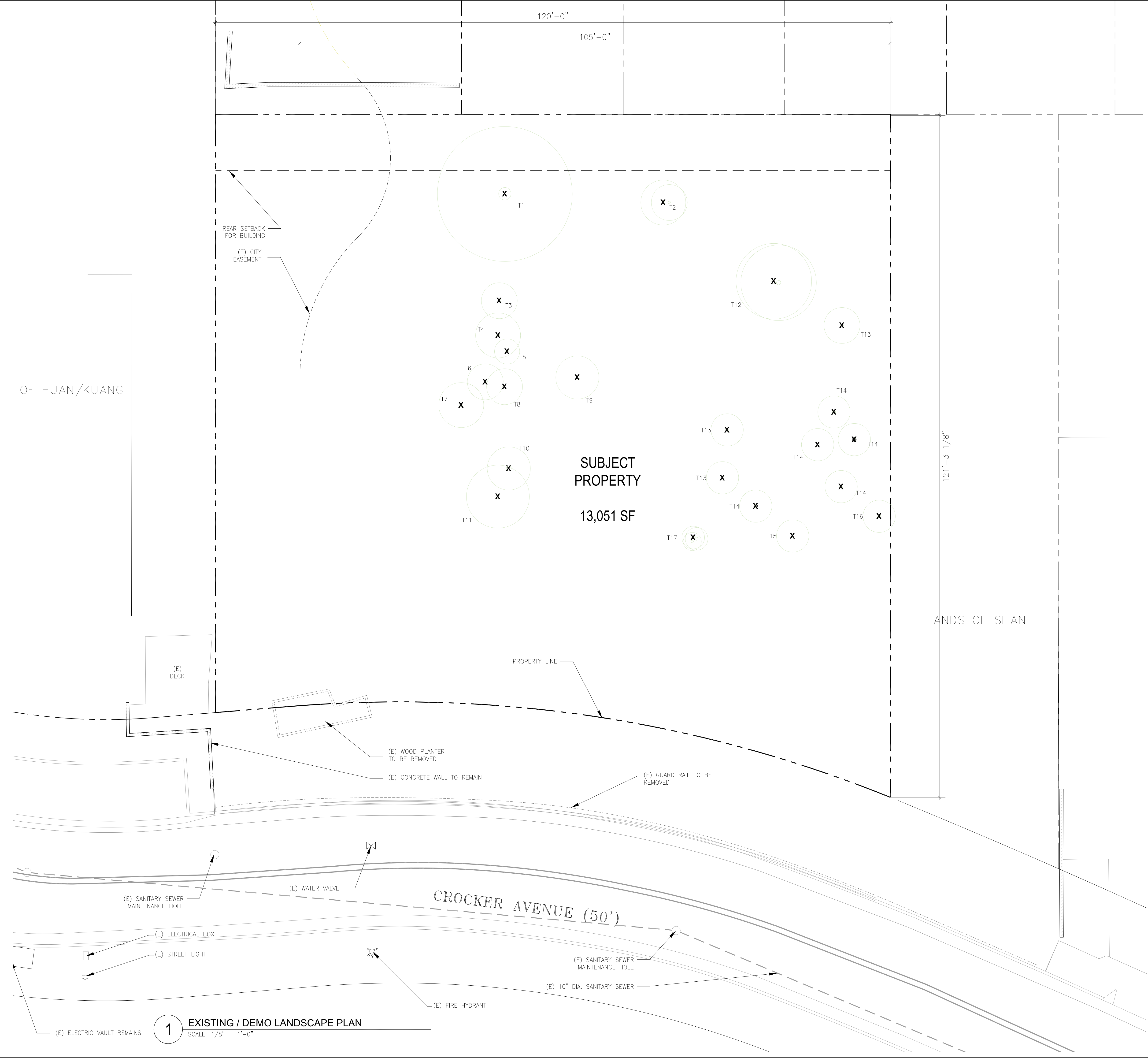
Painting Cleanup and Removal

- ❑ Never clean brushes or rinse paint containers into a street, gutter, storm drain, or stream.
- ❑ For water-based paints, paint out brushes to the extent possible, and rinse into a drain that goes to the sanitary sewer. Never pour paint down a storm drain.
- ❑ For oil-based paints, paint out brushes to the extent possible and clean with thinner or solvent in a proper container. Filter and reuse thinners and solvents. Dispose of excess liquids as hazardous waste.
- ❑ Sweep up or collect paint chips and dust from non-hazardous dry stripping and sand blasting into plastic drop cloths and dispose of as trash.
- ❑ Chemical paint stripping residue and chips and dust from marine paints or paints containing lead, mercury, or tributyltin must be disposed of as hazardous waste. Lead based paint removal requires a state-certified contractor.



**Santa Clara Valley
Urban Runoff
Pollution Prevention Program**

Storm drain polluters may be liable for fines of up to \$10,000 per day!



X EXISTING TREES TO BE REMOVED

SPECIES	LEGEND	SIZE (DIAMETER)
T1	EUCALYPTUS	50"
T2	EUCALYPTUS	18" AND 16"
T3	ACACIA	8"
T4	EUCALYPTUS	16"
T5	EUCALYPTUS	6"
T6	EUCALYPTUS	8"
T7	EUCALYPTUS	16"
T8	EUCALYPTUS	8"
T9	EUCALYPTUS	11"
T10	EUCALYPTUS	14"
T11	EUCALYPTUS	18"
T12	EUCALYPTUS	16" AND 16"
T13	EUCALYPTUS	8"
T14	EUCALYPTUS	7"
T15	EUCALYPTUS	12"
T16	EUCALYPTUS	9"
T17	EUCALYPTUS	8", 9", 10"

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WING LEE

C-28929

EXP. 2/28/21

STATE OF CALIFORNIA

CROCKER AVENUE
4 SINGLE-FAMILY DWELLING +
4 ATTACHED ADU UNITS

ISSUE RECORD / DATE
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PROJECT

4321

DRAWING TITLE

EXISTING / DEMO
LANDSCAPE
PLAN

SHEET

L1.1

TRUE NORTH

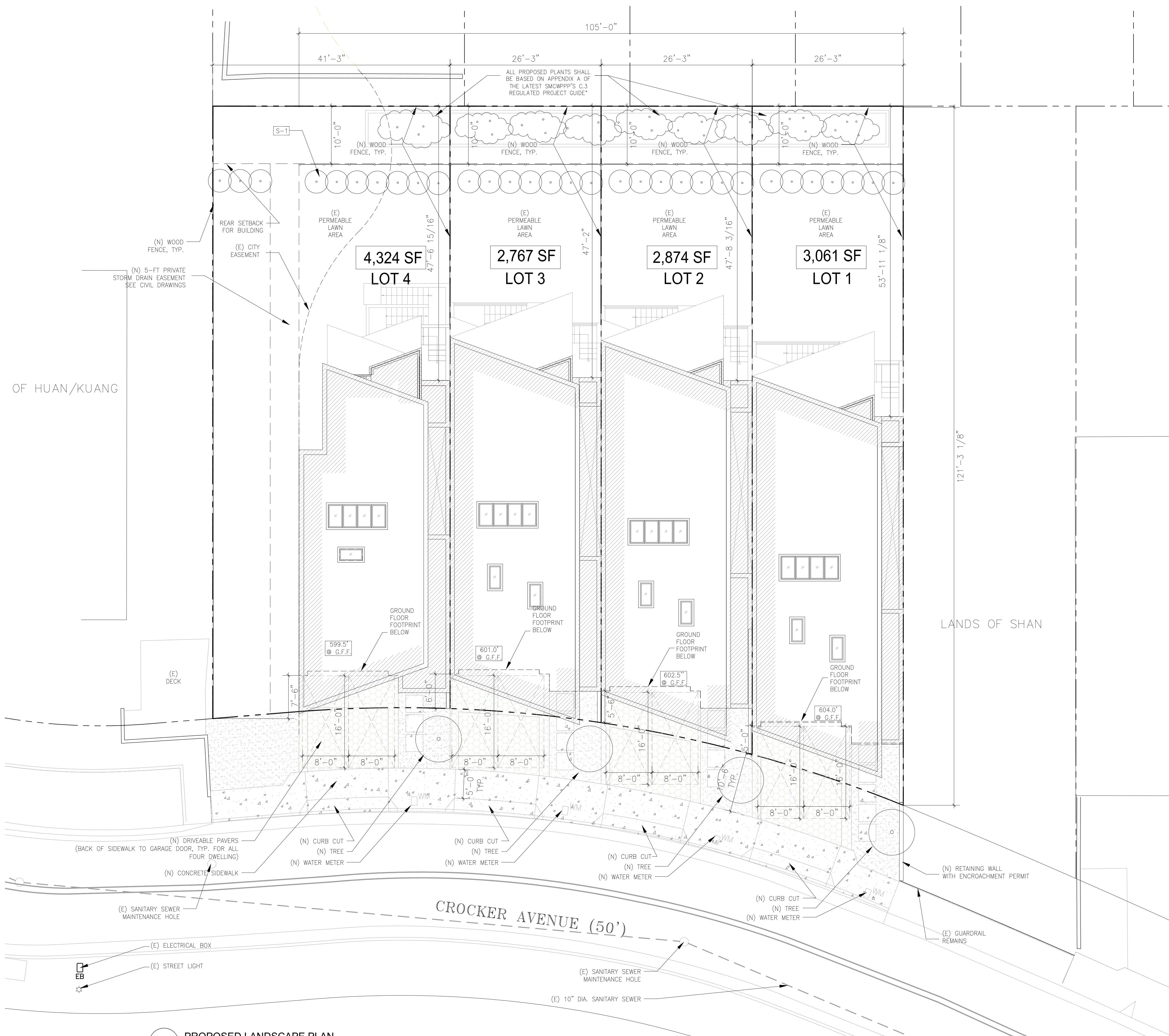


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4	3	2	1
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PROPOSED LANDSCAPE PLAN

L1.2



1

PROPOSED LANDSCAPE PLAN

SCALE: $1/8" = 1'-0"$

0' 10' 20'

|



CROCKER AVENUE
4 SINGLE-FAMILY DWELLING +
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1 PROPOSED FRONT VIEW (FROM CROCKER AVENUE)
NTS

BUILDING ENVELOPE

SD-1	COMPOSITE RESIN PANEL / SIDING WITH BLACK FINISH
SD-2	COMPOSITE RESIN PANEL / SIDING WITH WHITE FINISH
SD-3	COMPOSITE RESIN PANEL / SIDING WITH LIGHT BEIGE FINISH
GD-1	EXTRUDED ALUMINIUM RAIL AND STILES DOOR WITH MATCHING FINISH TO ADJACENT PANEL/SIDING FINISH
GD-2	EXTRUDED ALUMINIUM RAILS AND STILES DOOR WITH MATCHING FINISH TO ADJACENT PANEL/SIDING FINISH
GD-3	EXTRUDED ALUMINIUM RAILS AND STILES DOOR WITH MATCHING FINISH TO ADJACENT PANEL/SIDING FINISH
VR-1	ALUMINUM FIN WITH PAINTED FINISH TO MATACH ADJACENT PANEL/SIDING FINISH, TYP.
T-1	YELLOW CERAMIC TILE
A-1	PAINTED AND STANDOFF ADDRESS NUMBERS WITH CODE COMPLIANT ILLUMINATION ABOVE
GD-4	DARK ANODIZED ALUMINUM DOOR / WINDOW
R-1	42" TEMPERED GLASS RAIL WITH METAL CAP

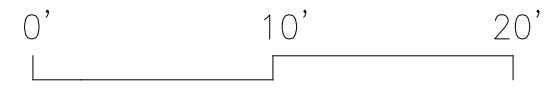
LANDSCAPE FEATURES

GP-1	DRIVABLE GRASS PAVER
GP-2	DECOMPOSED GRANITE
TR-1	15-GALLON JAPANESE MAPLE (ACER PALMATUM) - SEE LANDSCAPE PLAN A

RENDERINGS ARE NOT ACCURATELY SHOWING THE FINISH ELEVATIONS OF THE PROPOSED DWELLINGS



1 PROPOSED SITE PLAN AND LOT SUBDIVISION
SCALE: 1/8" = 1'-0"



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STATE OF CALIFORNIA

CROCKER AVENUE
4 SINGLE-FAMILY DWELLING +
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PROJECT

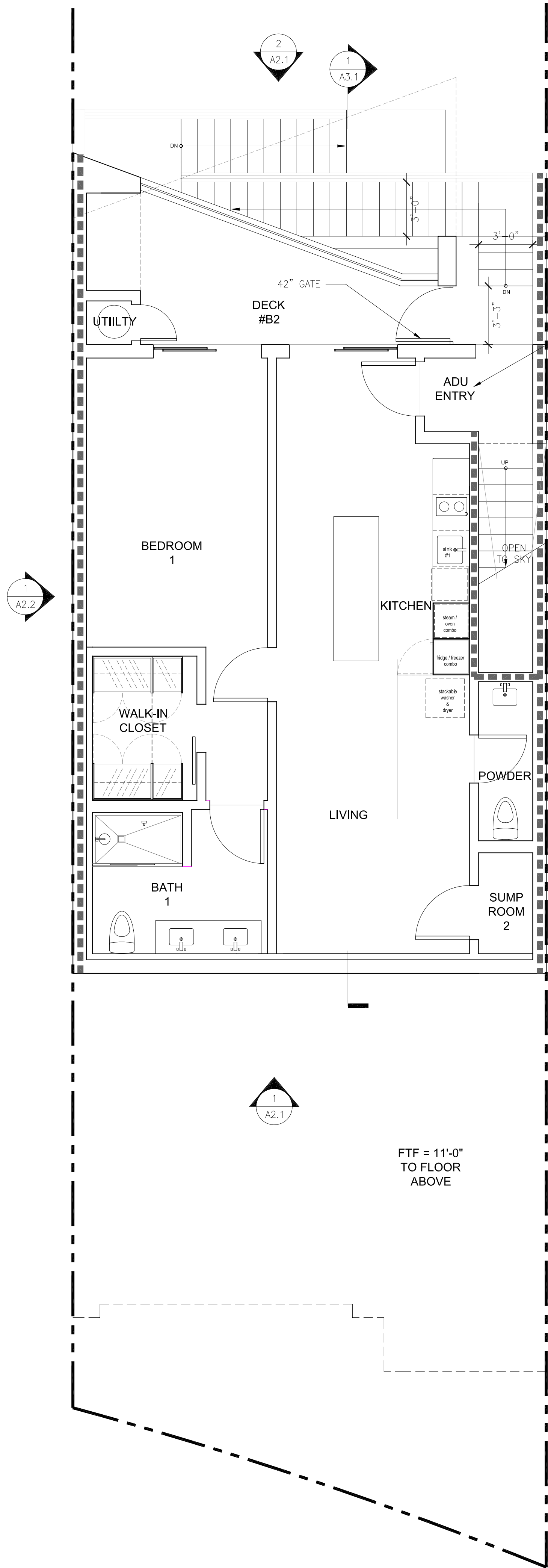
DRAWING TITLE

PROPOSED SITE PLAN

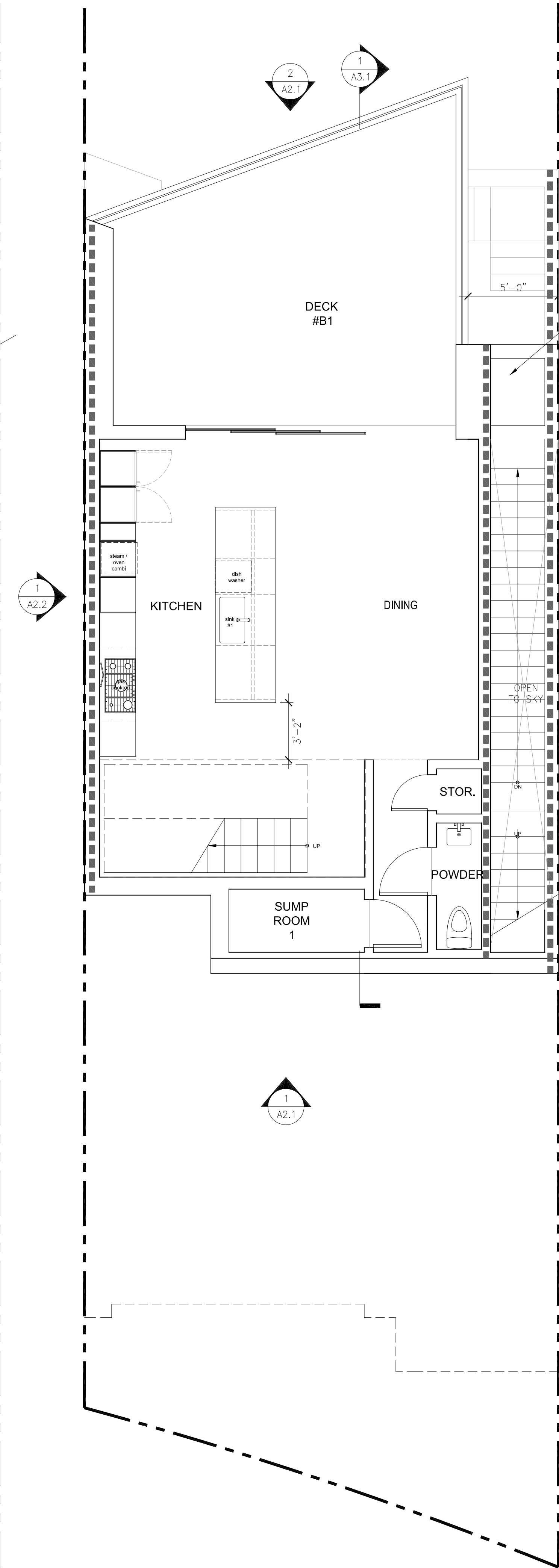
SHEET

A1.0

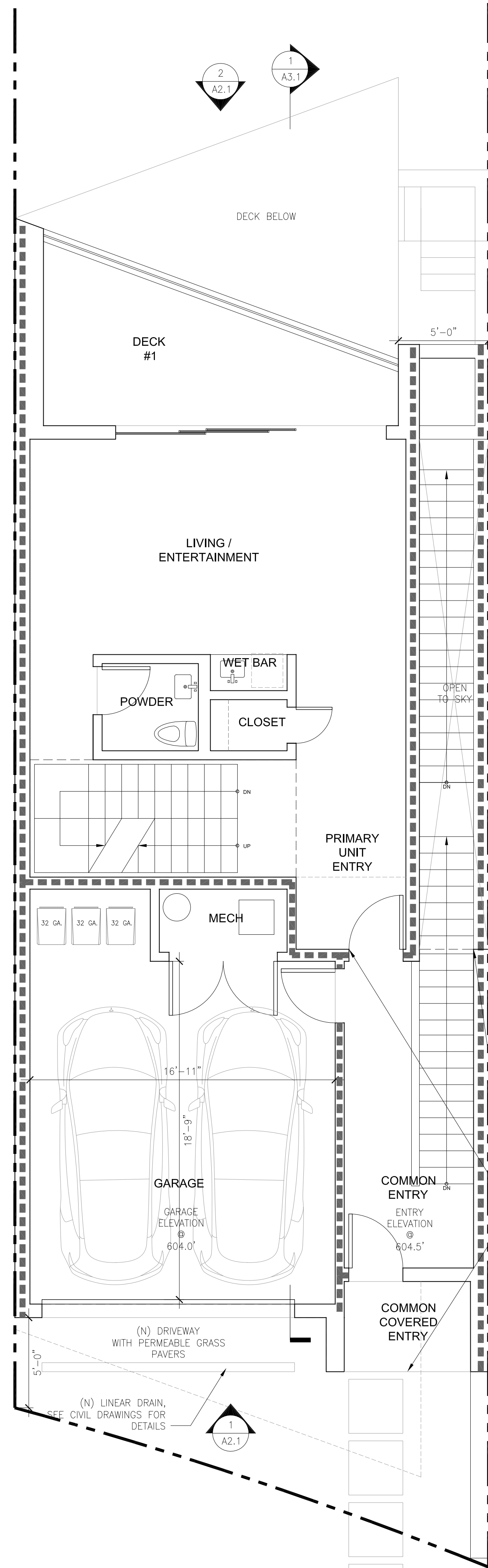
TRUE NORTH



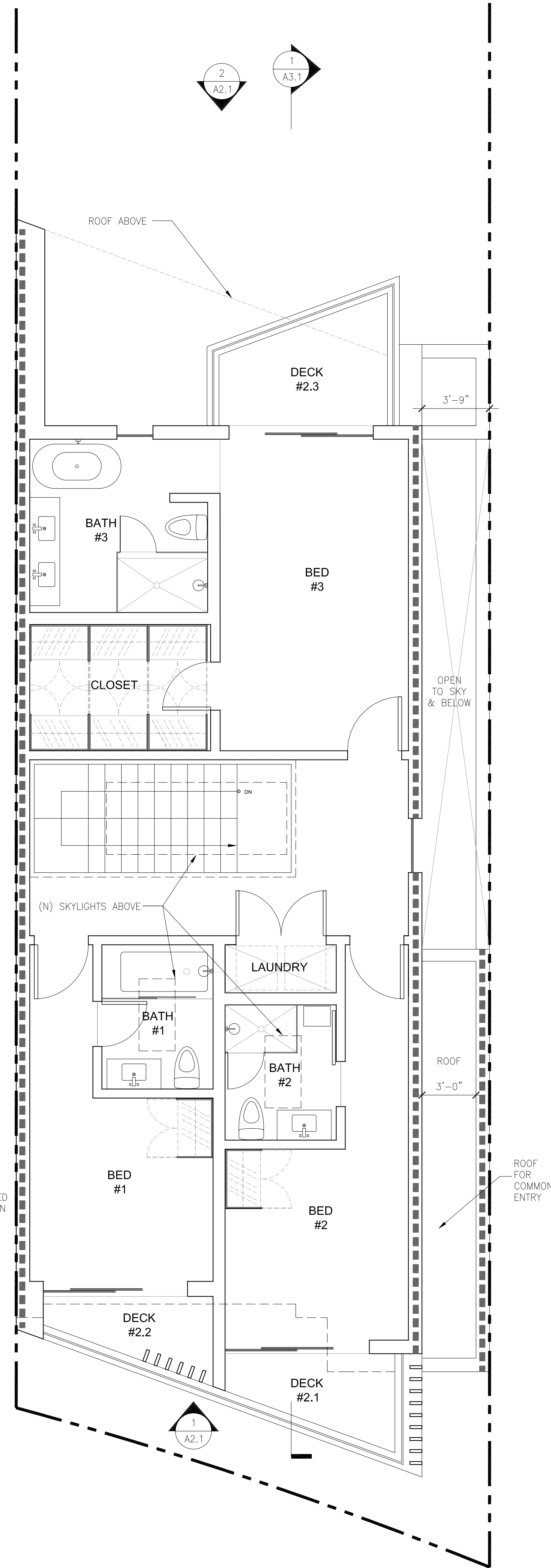
1 BASEMENT 2
SCALE: 1/4" = 1'-0"



2 BASEMENT 1
SCALE: 1/4" = 1'-0"



3 GROUND FLOOR
SCALE: 1/4" = 1'-0"



4 SECOND FLOOR
SCALE: 1/4" = 1'-0"

1-HOUR WALL ASSEMBLY

0' 10' 20'

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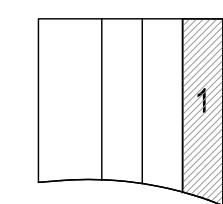
STAMP



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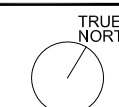


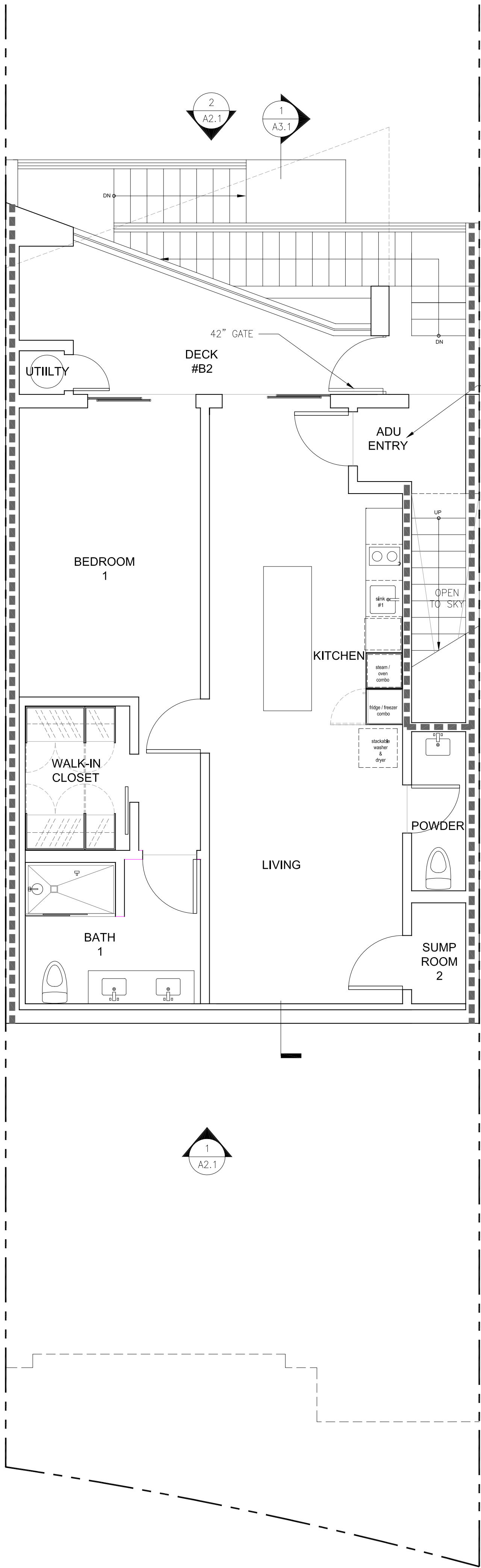
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FLOOR PLANS
LOT 1

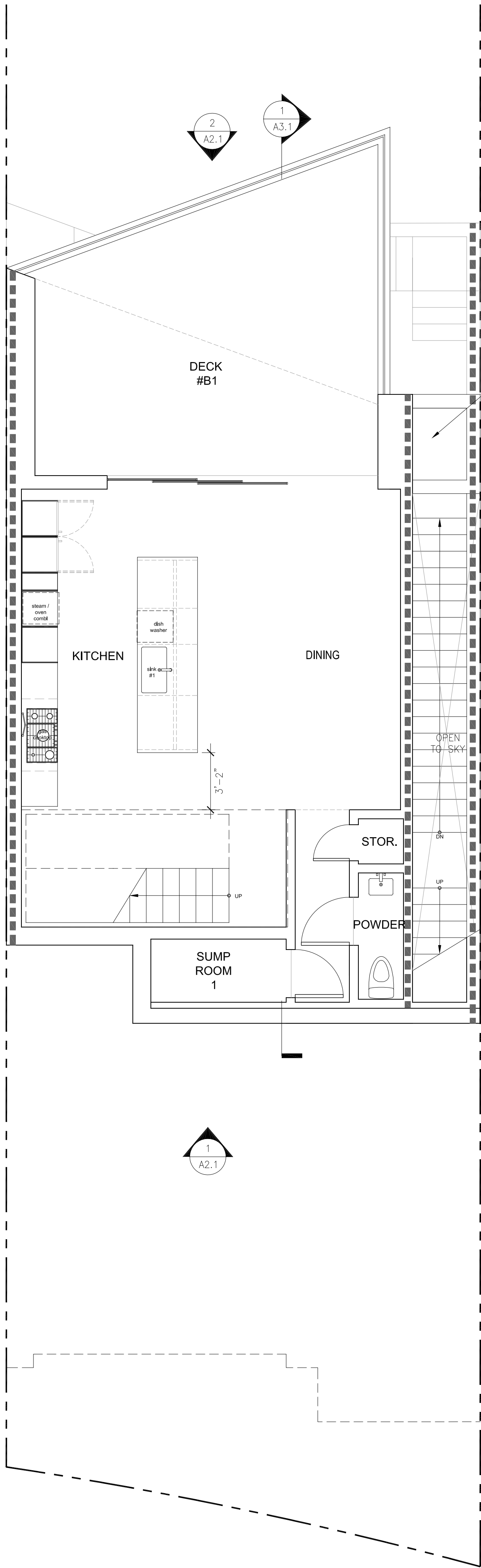
SHEET

A1.1

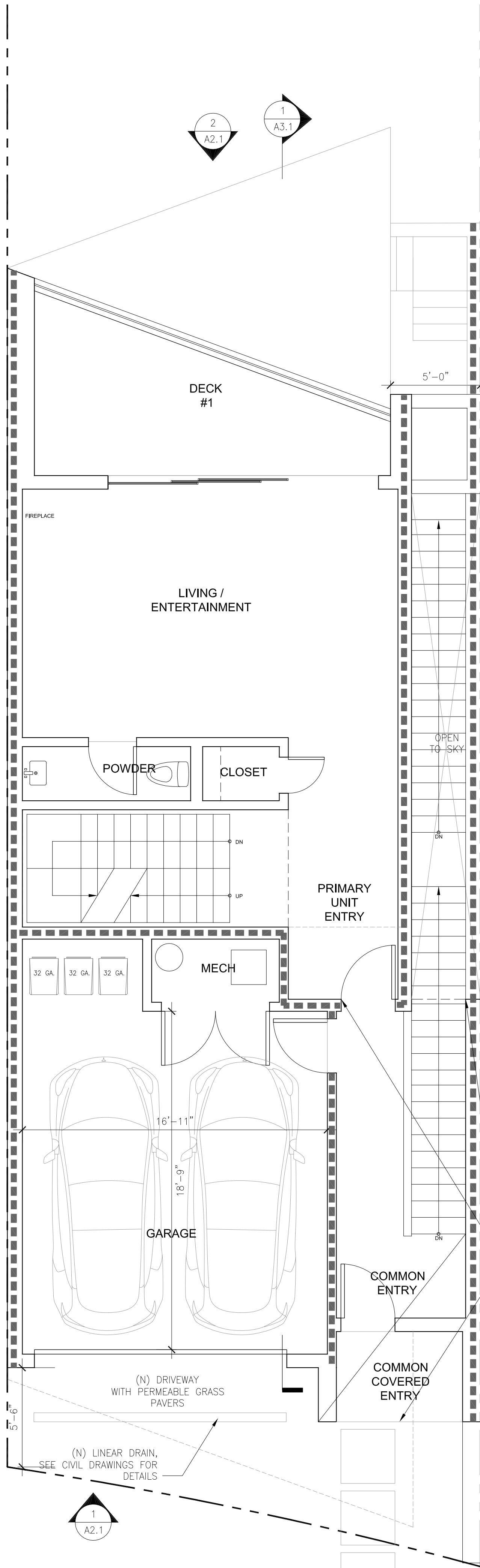




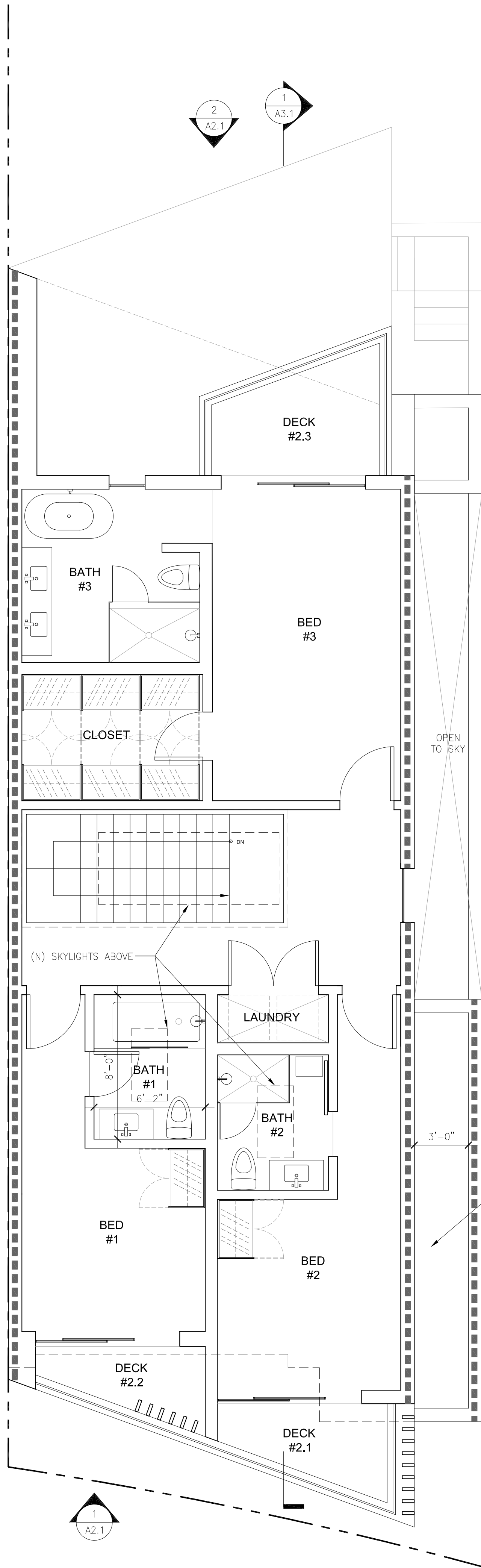
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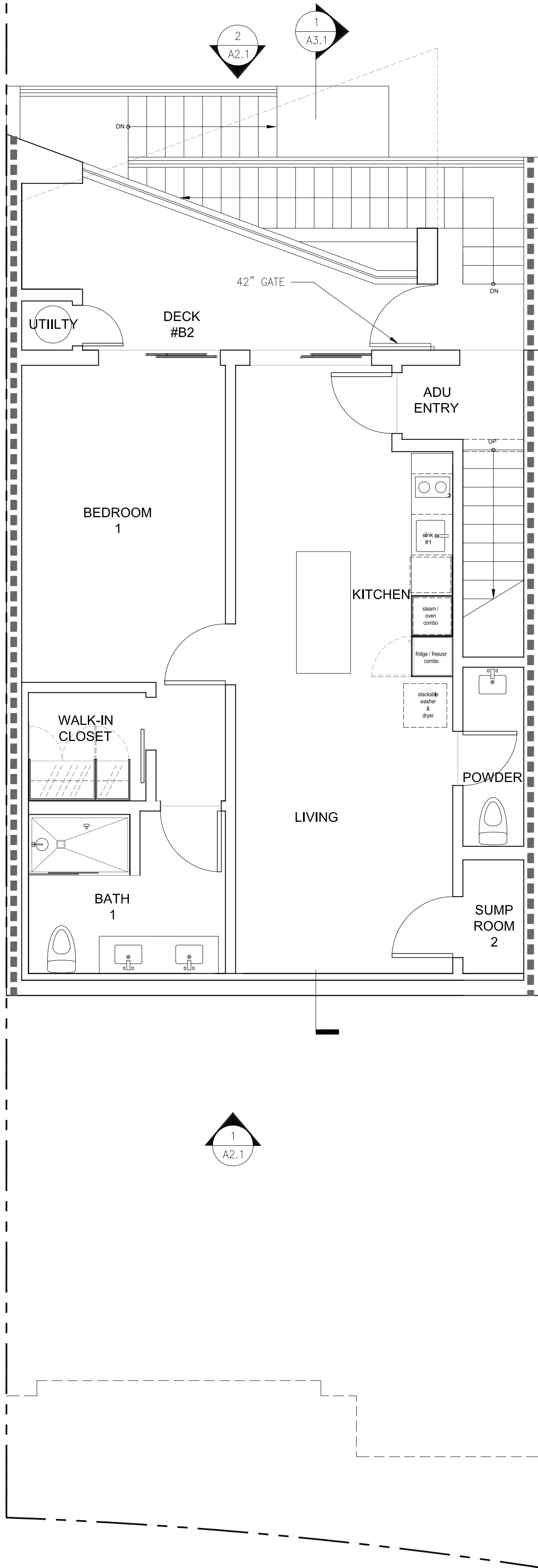
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SCALE: 1/4" = 1'-0"



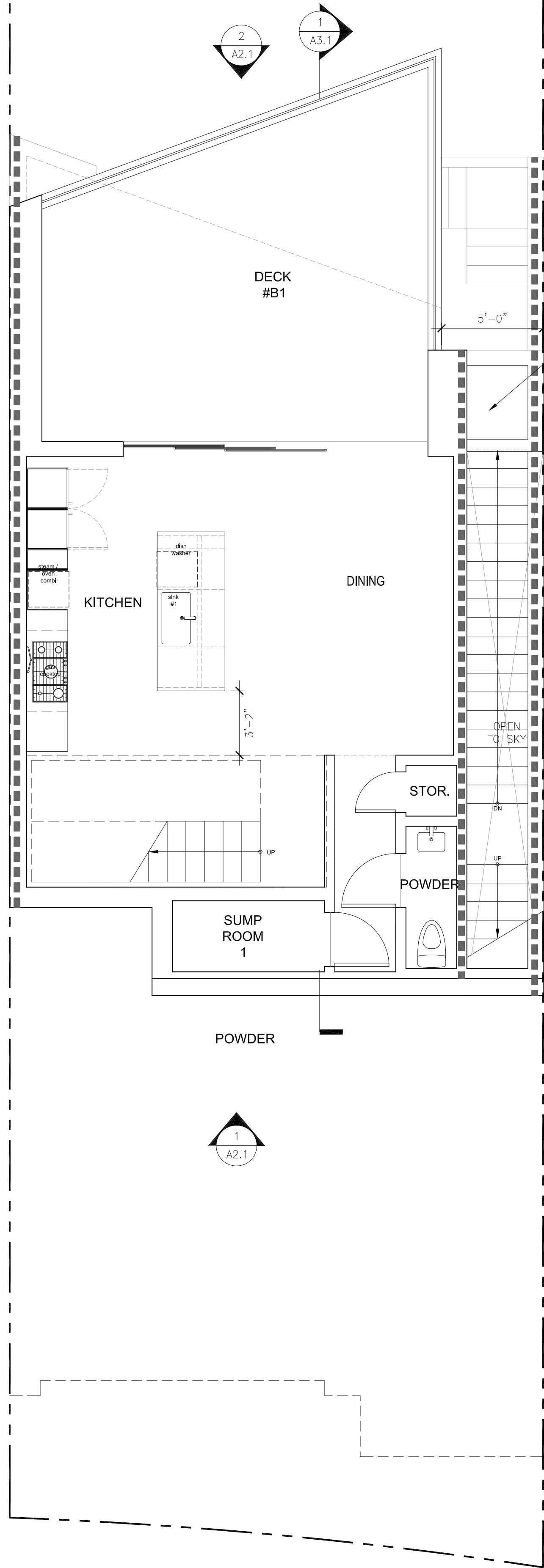
3 GROUND FLOOR
SCALE: 1/4" = 1'-0"



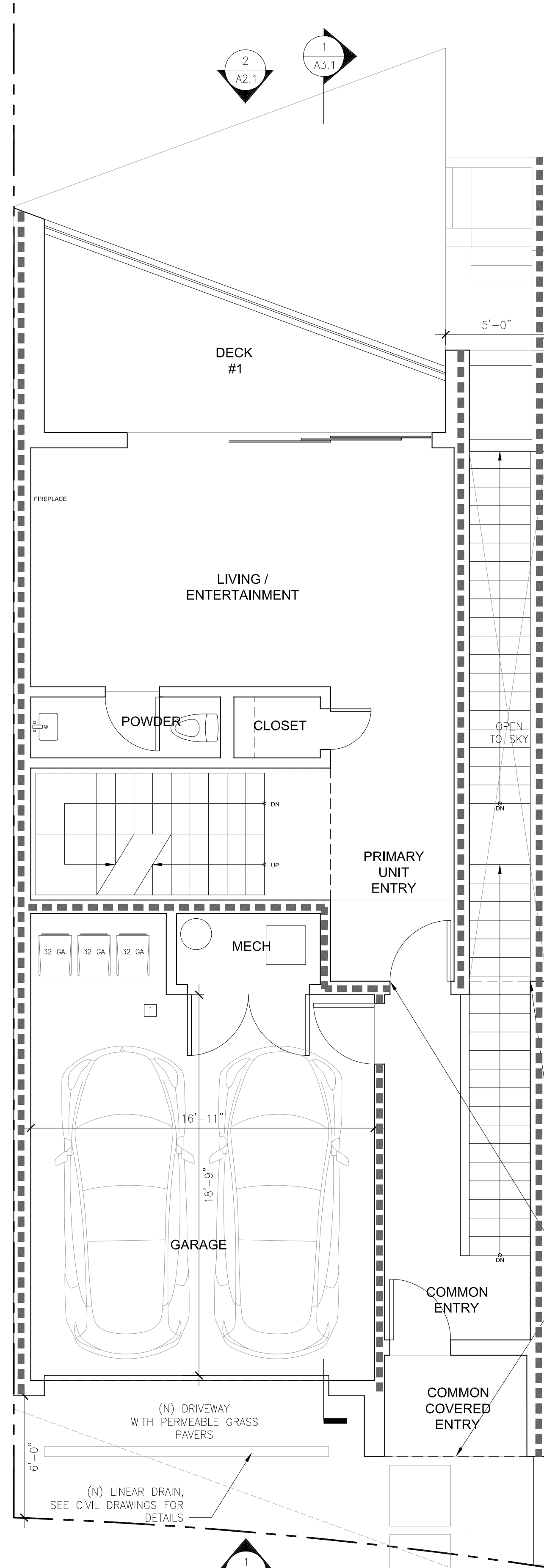
4 SECOND FLOOR
SCALE: 1/4" = 1'-0"



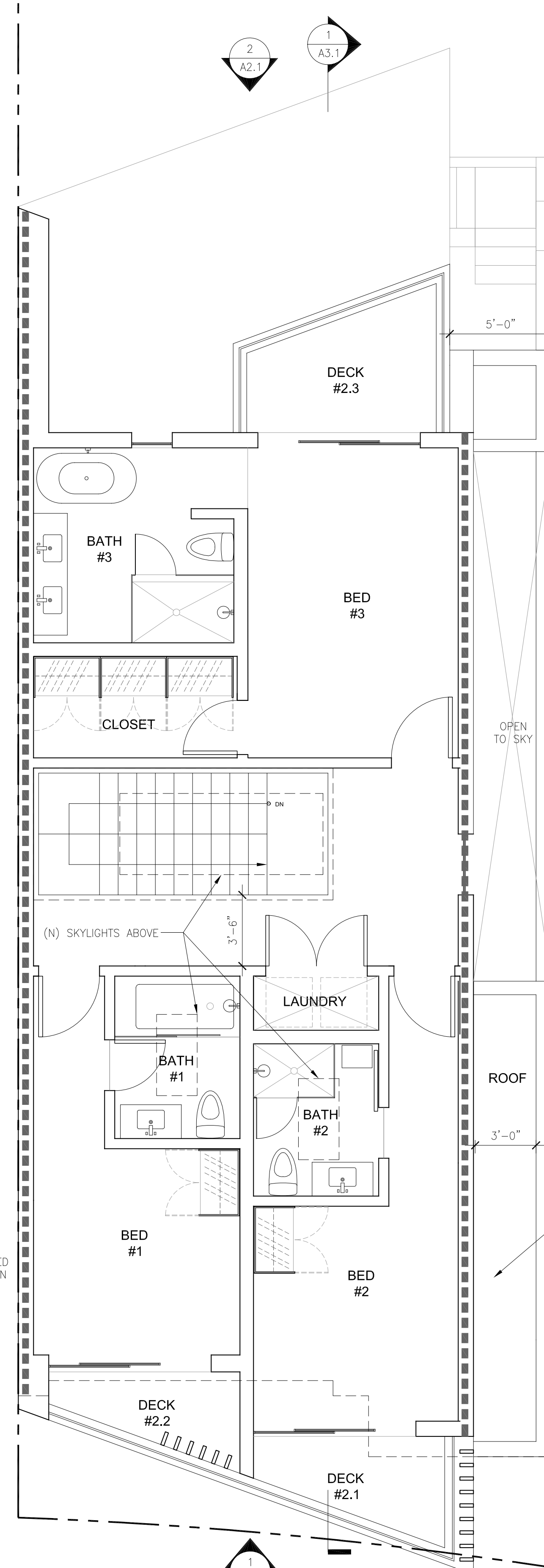
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2 BASEMENT 1
SCALE: 1/4" = 1'-0"



3 GROUND FLOOR
SCALE: 1/4" = 1'-0"

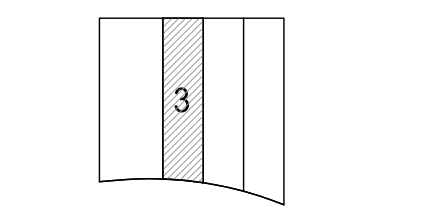


4 SECOND FLOOR
SCALE: 1/4" = 1'-0"

CROCKER AVENUE
4 SINGLE-FAMILY DWELLING +
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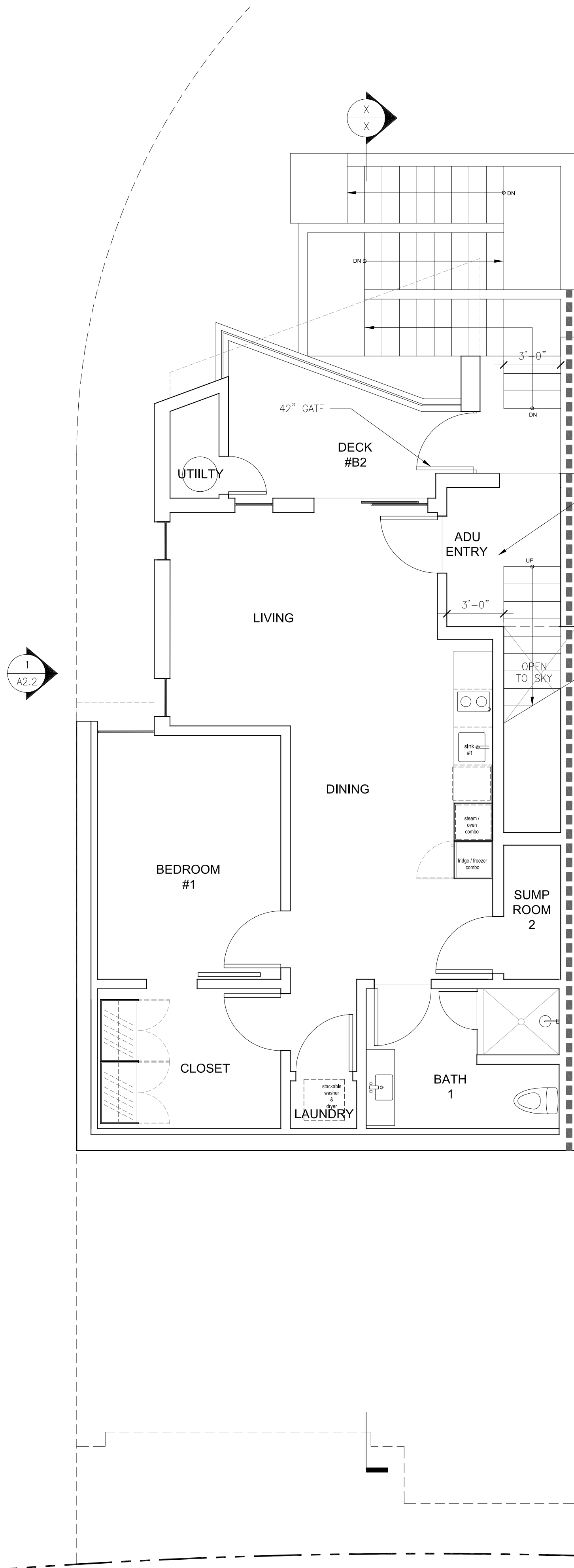


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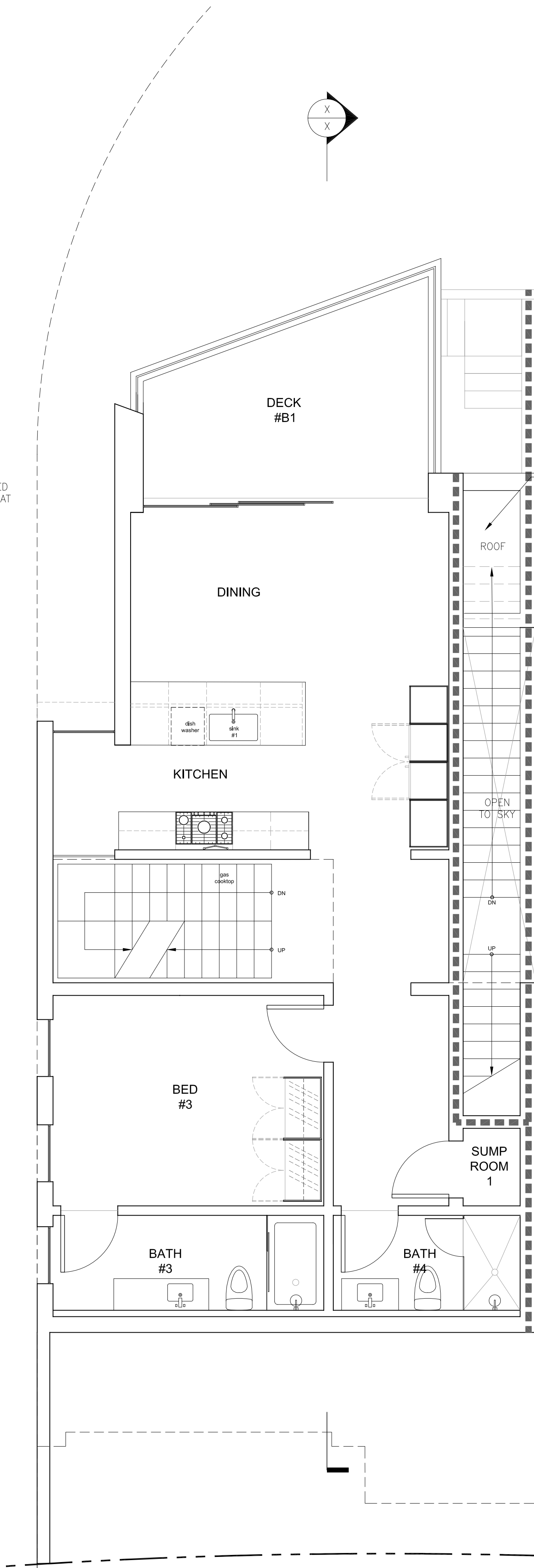
FLOOR PLANS
LOT 3

SHEET

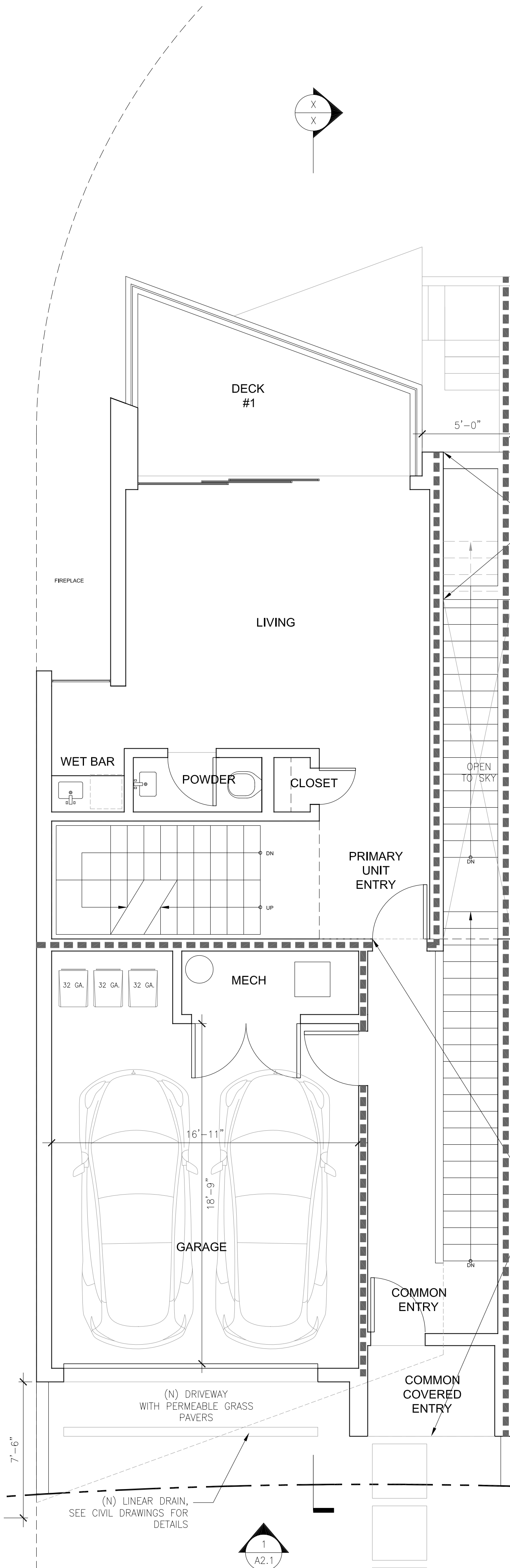
A1.3



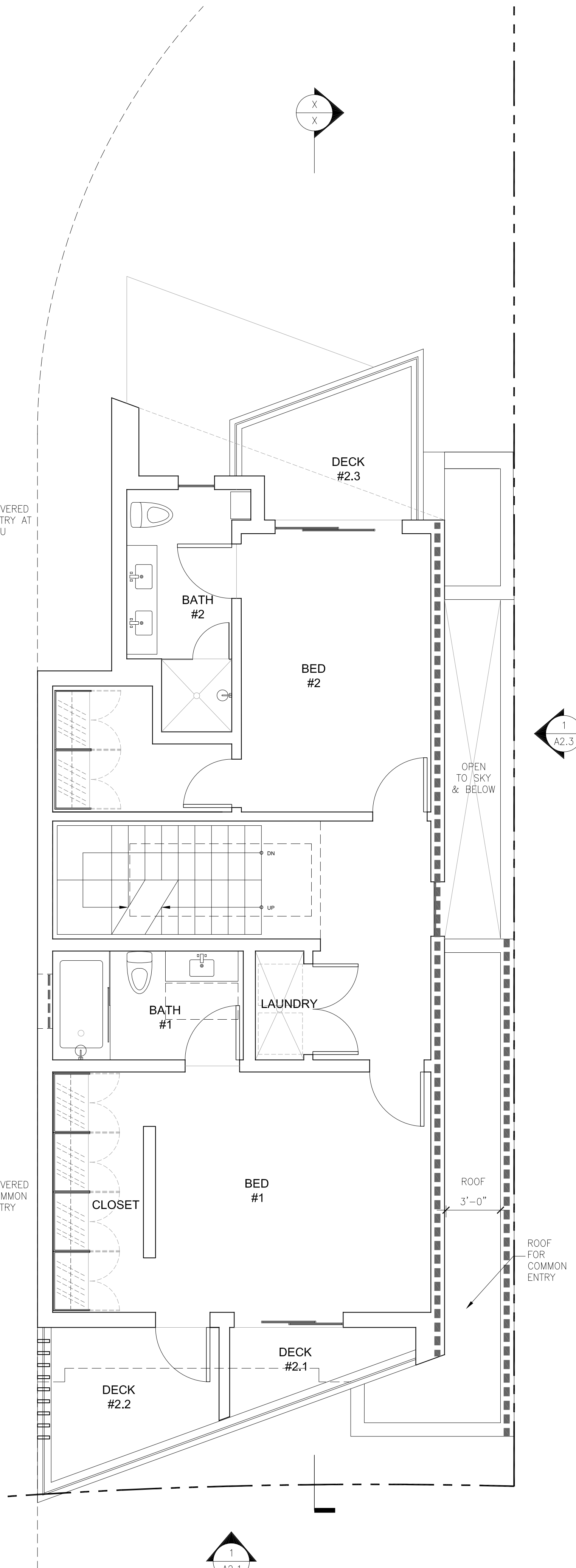
1 BASEMENT 2
SCALE: 1/4" = 1'-0"



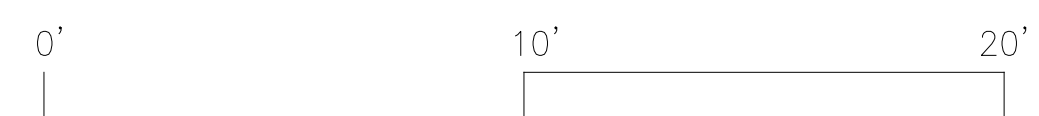
2 BASEMENT 1
SCALE: 1/4" = 1'-0"



3 GROUND FLOOR
SCALE: 1/4" = 1'-0"



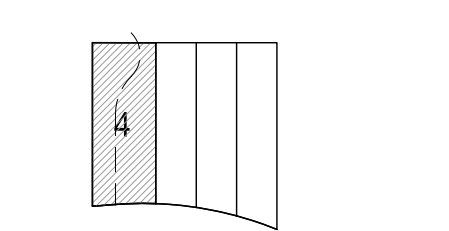
4 SECOND FLOOR
SCALE: 1/4" = 1'-0"



CROCKER AVENUE
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PROJECT



DRAWING TITLE

FLOOR PLANS
LOT 4

SHEET

A1.4



1 PROPOSED FRONT (SE) ELEVATION
SCALE: 1/4" = 1'-0"

BUILDING ENVELOPE

- SD-1 COMPOSITE RESIN PANEL / SIDING WITH BLACK FINISH
- SD-2 COMPOSITE RESIN PANEL / SIDING WITH WHITE FINISH
- SD-3 COMPOSITE RESIN PANEL / SIDING WITH LIGHT BEIGE FINISH
- GD-1 EXTRUDED ALUMINIUM RAIL AND STILES DOOR WITH MATCHING FINISH TO ADJACENT PANEL/SIDING FINISH
- GD-2 EXTRUDED ALUMINIUM RAILS AND STILES DOOR WITH MATCHING FINISH TO ADJACENT PANEL/SIDING FINISH
- GD-3 EXTRUDED ALUMINIUM RAILS AND STILES DOOR WITH MATCHING FINISH TO ADJACENT PANEL/SIDING FINISH
- VR-1 ALUMINUM FIN WITH PAINTED FINISH TO MATACH ADJACENT PANEL/SIDING FINISH, TYP.
- T-1 YELLOW CERAMIC TILE
- A-1 PAINTED AND STANDOFF ADDRESS NUMBERS WITH CODE COMPLIANT ILLUMINATION ABOVE
- GD-4 DARK ANODIZED ALUMINIUM DOOR / WINDOW
- R-1 42" TEMPERED GLASS RAIL WITH METAL CAP

LANDSCAPE FEATURES

- GP-1 DRIVABLE GRASS PAVER
- GP-2 DECOMPOSED GRANITE
- TR-1 15-GALLON JAPANESE MAPLE (ACER PALMATUM) - SEE LANDSCAPE PLAN A

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PROJECT

DRAWING TITLE

PROPOSED
BUILDING ELEVATIONS

FRONT

SHEET

A2.1



CROCKER AVENUE
4 SINGLE-FAMILY DWELLING +
4 ATTACHED ADU UNITS

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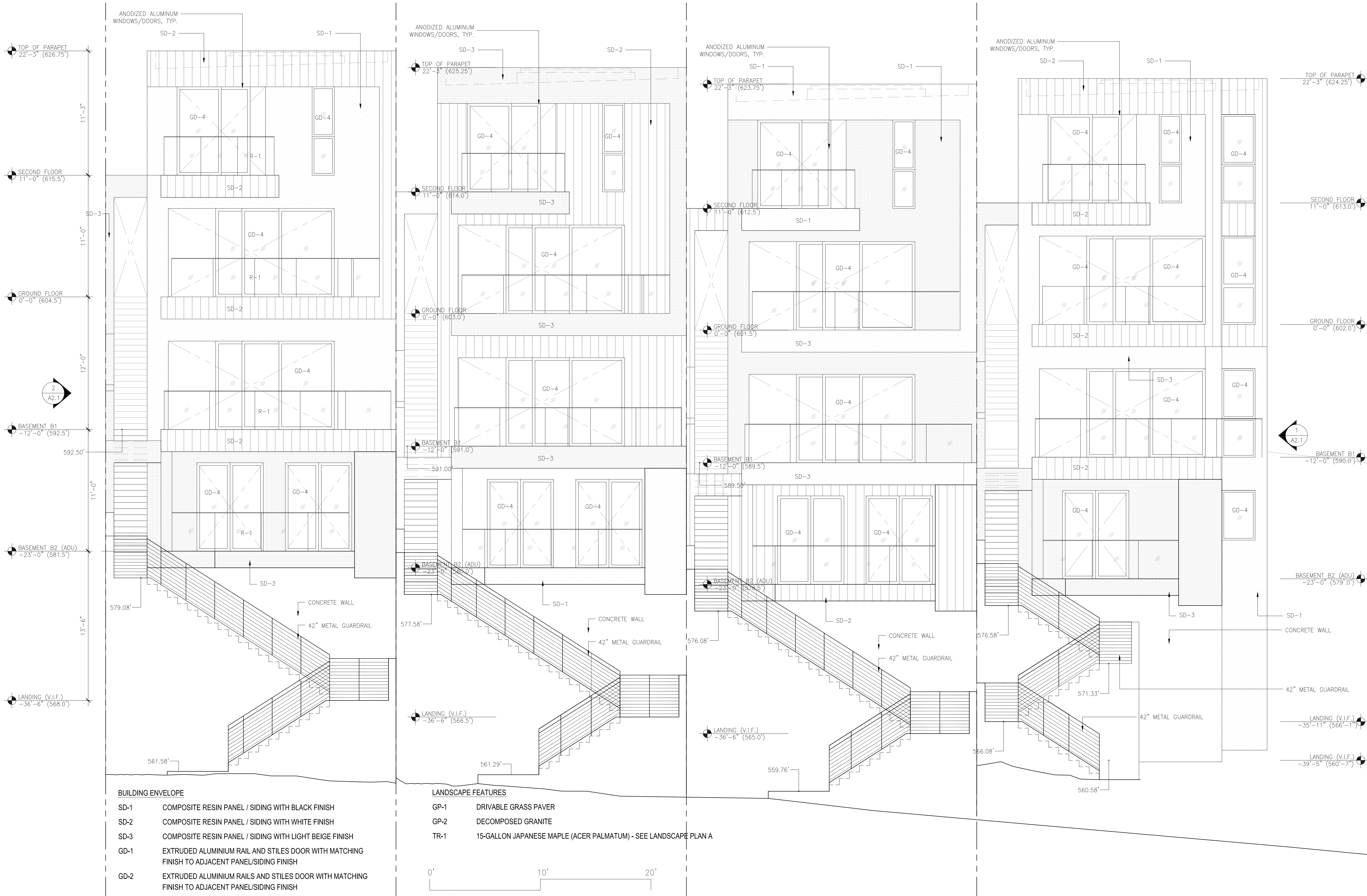
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PROPOSED
BUILDING ELEVATIONS

REAR (NW)

SHEET

A2.2



1

REAR FRONT (MW ELEVATION)

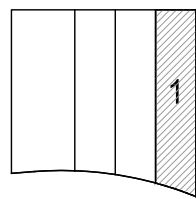
SCALE: 1/4" = 1'-0"



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PROJECT



DRAWING TITLE

PROPOSED
BUILDING ELEVATION

NE ELEVATION

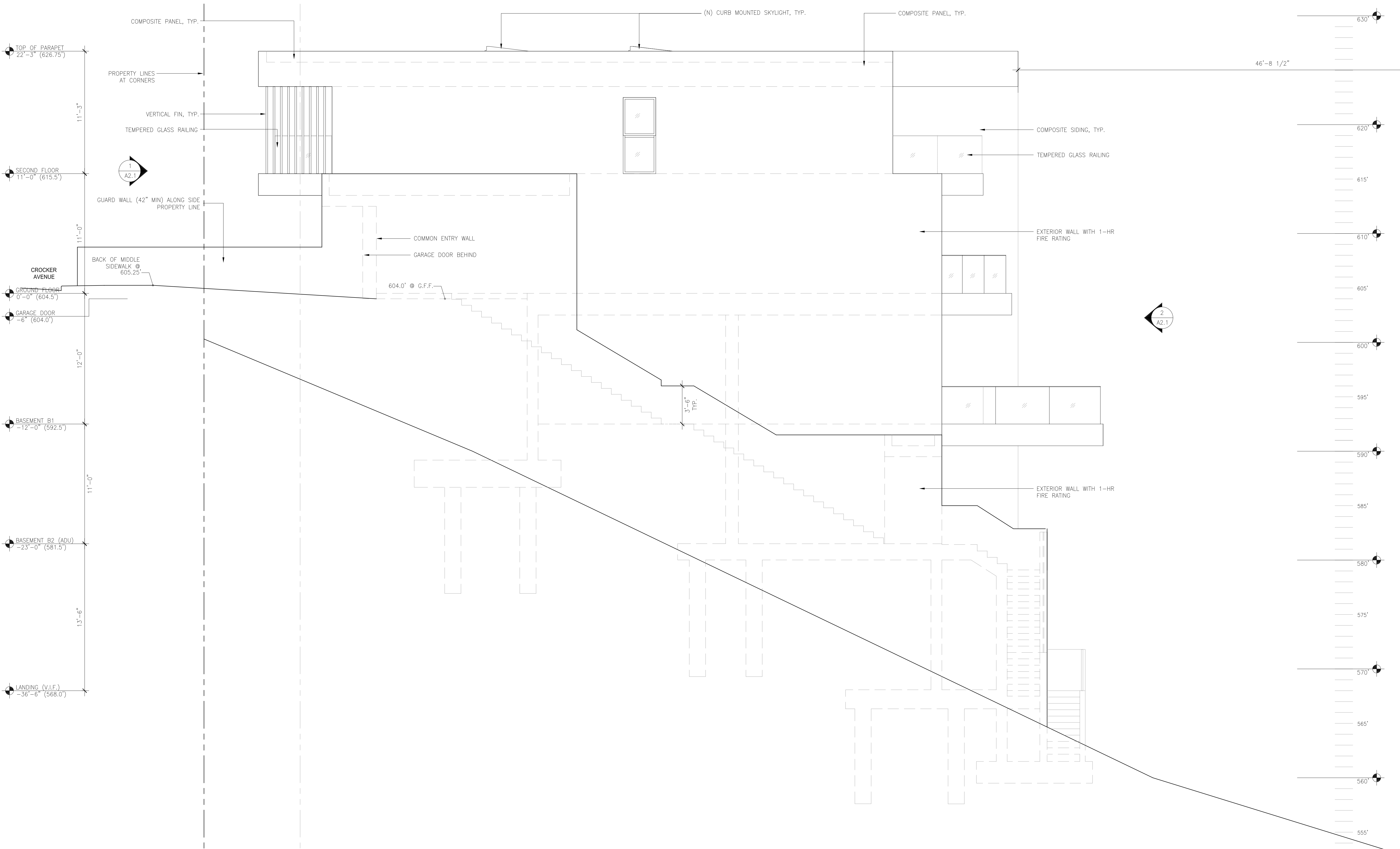
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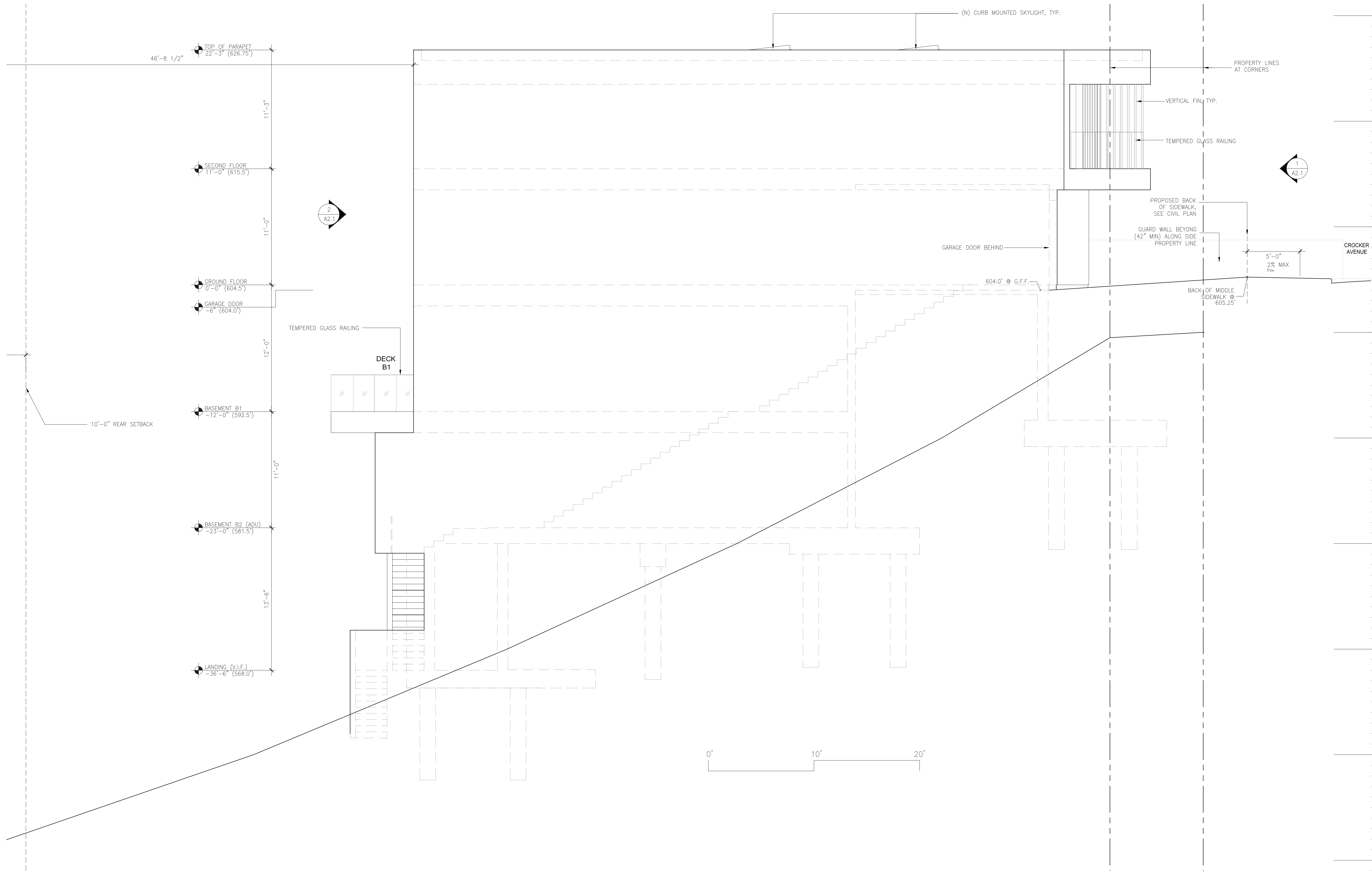
A2.3

1

PROPOSED SIDE (NE) ELEVATION

SCALE: 1/4" = 1'-0"







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STORY 3

STORY 2

STORY 1

BASEMENT

TOP OF PARAPET
22'-3" (626.75')SECOND FLOOR
11'-0" (615.5')GROUND FLOOR
0'-0" (604.5')GARAGE DOOR
-6" (604.0')BASEMENT B1
-12'-0" (592.5')BASEMENT B2 (ADU)
-23'-0" (581.5')LANDING (V.I.F.)
-36'-6" (568.0')

GRADE PLANE

(E) GRADE ALONG LEFT SIDE

10'-0" REAR SETBACK

2

A2.1

10'-0" REAR SETBACK

1

PROPOSED LONGITUDINAL SECTION

SCALE: 1/4" = 1'-0"

(N) CURB MOUNTED SKYLIGHT, TYP.

COMPOSITE PANEL, TYP.

VERTICAL FIN, TYP.

PROPERTY LINES
© CENTERLINE
OF PROPERTY

TEMPERED GLASS RAILING

(N) CURB CUT PER
CITY STANDARDS
5'-0"PROPOSED BACK OF SIDEWALK,
SEE CIVIL PLAN

42" MIN.

2% MAX

BACK OF RIGHT
SIDEWALK ©
605.66'GUARD WALL (42" MIN) ALONG SIDE
PROPERTY LINE

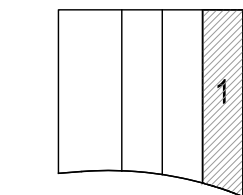
RETAINING WALL ALONG PROPERTY LINE

FOUNDATION AND PIERS

0'

10'

20'





City Council Meeting Agenda Report

Item # _____

Meeting Date: February 23, 2026

Subject: **RESOLUTION AUTHORIZING A WIFIA LOAN AGREEMENT WITH THE DALY CITY JOINT POWERS FINANCING AUTHORITY, THE NORTH SAN MATEO COUNTY SANITATION DISTRICT AND THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY AND A FINANCING AGREEMENT (WIFIA LOAN AGREEMENT) WITH THE DALY CITY JOINT POWERS FINANCING AUTHORITY IN CONNECTION WITH THE FINANCING OF THE VISTA GRANDE DRAINAGE BASIN IMPROVEMENT PROJECT, AND AUTHORIZING THE CITY MANAGER (OR DISTRICT MANAGER), OR DESIGNEE, TO EXECUTE AND DELIVER SUCH AGREEMENTS AND RELATED DOCUMENTS AND APPROVING A PLEDGE OF REVENUES FOR REPAYMENT OF FUNDING, AND APPROVING RELATED AGREEMENTS AND ACTIONS**

Recommended Action

Consider adoption of a resolution authorizing a WIFIA Loan Agreement with the Daly City Joint Powers Financing Authority, the North San Mateo County Sanitation District, and the United States Environmental Protection Agency in connection with the financing of the Vista Grande Drainage Basin Improvement Project and a related Financing Agreement (WIFIA Loan Agreement), approving a pledge of revenues for repayment of funding, and approving related agreements and actions.

Background

Vista Grande Drainage Basin Improvement Project. The City of Daly City (the “City”) and the North San Mateo County Sanitation District (the “District”) are undertaking the Vista Grande Drainage Basin Improvement Project (the “Project”).

District, City and Authority Responsibility for the Project. To jointly finance the Project, the City and the District established the Daly City Joint Powers Financing Authority (the “Authority”) pursuant to a Joint Exercise of Powers Agreement, dated as of March 1, 2021, as amended on November 1, 2022.

The City, the District and the Authority previously entered into a Memorandum of Agreement, dated as of March 29, 2024 (“Original Memorandum of Agreement”), for the purpose of documenting their respective roles with respect to ownership, construction, operation and financing of the Project. The Original Memorandum of Agreement provides that (i) the City will own, construct, operate and maintain the project, (ii) the City’s water enterprise (“Water Enterprise”) is responsible for 49.23% of the costs of constructing, operating, maintaining and financing the Project and (iii) the District’s wastewater enterprise (“Sewer Enterprise”) is responsible for 50.77% of the costs of constructing, operating, maintaining and financing the Project. The Authority acts as a financing conduit between the City and the District on the one hand and Project lenders on the other; the Authority has no responsibilities for operation of the Project and will repay financings with amounts received from the City and the District.

Financing Plan. The City and the District will rely on three categories of funding sources to finance the Project:

- Contributions – The City and the District will coordinate with participants to fund a portion of project costs with up-front contributions or contributions during construction.
- Grants – The City and the District will continue to coordinate the effort to identify, apply for, receive, and manage grants and other contributions from state and federal agencies.
- Debt - After contributions and grants, the City and the District will fund the remaining Project costs with loans from state and federal agencies and, if other sources are not available with reasonable costs and conditions, public offerings of debt.

As of the date of this staff report and subject to change, the following table provides the projected funding sources and uses for the Project:

Funding Sources		Agreement	Funding Access
Contributions			
CalTrans	\$ 3,400,000	Executed	Expended
City, Water Enterprise Fund	5,000,000	n/a	Final amount depends on other sources.
District, Sanitation Fund	5,000,000	n/a	Final amount depends on other sources.
San Francisco Public Utilities	35,000,000	Executed	Construction Draws
San Mateo County	15,000,000	Executed	Construction Draws
Subtotal	\$ 63,400,000		
Grants			
Congressionally Directed Spending	\$ 2,051,752	Application	Construction Draws
State Water Board	5,000,000	Executed	Construction Draws
Subtotal	\$ 7,051,752		
Debt			
State Water Board	\$ 62,875,411	Executed	Construction Draws
EPA, WIFIA	33,890,228	Pending	Construction Draws
CA Infrastructure Bank	35,000,000	Application	When debt originated.
Public/Market Offering	18,092,479	FY 2028	When debt originated.
Subtotal	\$ 131,765,639		
Total Funding Sources	\$ 220,309,870		
Funding Uses			
Plan & Design	\$ 14,038,072		Includes prior expenses.
Project Management	12,508,712		Includes prior expenses.
Habitat Mitagation	7,863,086		Includes prior expenses.
Contruction	180,000,000		Project bids as of 2/6/26.
Contingency & Costs of Issuance	5,900,000		Includes prior expenses.
Total Funding Uses	\$ 220,309,870		

Discussion

Proposed WIFIA Financing. Staff has been working with an outside bond counsel (Jones Hall LLP) and an independent municipal advisor (D.A. Davidson) to negotiate with the United States Environmental Protection Agency (“U.S. EPA”), which administers the federal Water Infrastructure Finance and Innovation Act (“WIFIA”) program, (i) the terms of an approximately \$34,000,000 loan (the “WIFIA Loan”) from the U.S. EPA to the Authority to finance the Project, (ii) a WIFIA Loan Agreement among the District, the City, the Authority and the U.S. EPA (the “WIFIA Loan Agreement”), (iii) a Financing Agreement (WIFIA Loan Agreement) between the Authority and the District (the “District Financing Agreement”), pursuant to which the District would agree to make payments to the Authority from net revenues of the Sewer Enterprise that the Authority would use to pay 50.77% of the WIFIA Loan payments, when due and (iv) a Financing Agreement (WIFIA Loan Agreement) between the Authority and the City (the “City Financing Agreement”), pursuant to which the City would agree to make payments to the Authority from net revenues of the City’s Water Enterprise that the Authority would use to pay 49.23% of the WIFIA Loan payments

Based on the projected funding sources and uses presented in the table above, City staff anticipates that the principal amount of the City’s payment obligations under the City Financing Agreement will be approximately \$16,738,200. Staff expects the WIFIA Loan to mature in 2065, and the true interest cost of the WIFIA Loan to be approximately 4.81%.

Pursuant to the proposed resolution, the City Council would approve the WIFIA Loan in a maximum principal amount of \$34,000,000 (excluding capitalized interest) and the City’s payment obligations under the City Financing Agreement in a maximum principal amount of \$16,738,200 (excluding capitalized interest), in each case with a maximum interest rate of 5.25%; authorize execution and delivery of the WIFIA Loan Agreement and the City Financing Agreement; and approve related agreements and actions. The proposed resolution approves an amendment and restatement of the Original Memorandum of Agreement; the amendment would not change the allocation of responsibilities or costs for the Project between the City and the District, but it would establish a formal process for interfund loans between the Water Enterprise and the Sewer Enterprise, if needed.

Compared to other debt financing sources, the proposed WIFIA Loan offers the following advantages to the City and the District, which should result in lower rates charged to users of the Water Enterprise and the Sewer Enterprise:

1. *Lower Interest Expense* – The WIFIA program sets its interest rate based on the U.S. Treasury rate on the date of loan closing. The rate is calculated using the weighted average (“WAL”) life of the loan rather than the loan maturity date. The WAL is expected to be shorter than the WIFIA Loan’s actual length, resulting in a lower interest rate. In addition, the City and the District will benefit from the “AAA” Treasury rate, even though the Water Enterprise and the Sewer Enterprise will be rated lower than “AAA”.
2. *Other Terms and Conditions* – The City and the District can repay principal for a period up to 35 years after Project completion, payments may be deferred up to 5 years after Project completion, and the repayment schedule can be customized to match expected revenues and expenses.

Fiscal Impact

Using a finance model that includes historical data, budgets. and projections through June 30, 2053, Staff projected fiscal impacts based on the expected funding sources and uses summarized above.

From July 1, 2016, to June 30, 2025, the Water Enterprise “sales and service” revenues averaged 7.71% annual increases due to rate adjustments, new users, and increased water demand. As part of the adopted FY 2026 Budget, the City budgeted 4% annual revenue increases through June 30, 2028, and 3% annual revenue

increases for July 1, 2028, through June 30, 2030. Effective July 1, 2030, through final maturity on June 30, 2065, staff forecast 2% annual revenue increases will enable the Water Enterprise to fund its share of Project operating and maintenance costs, pay debt service, and comply with other loan terms and conditions.

After originating debt, the City will be required to annually verify that Water Enterprise revenues are sufficient to:

1. Fund 100% of annual Water Enterprise operating and maintenance expenses,
2. Fund 100% of annual debt service, and
3. Generate additional annual revenue equal to at least 20% of annual debt service.

If revenues are not sufficient, the City will adjust rates and charges as required.

After paying annual operation and maintenance costs and debt service, the City may use remaining Water Enterprise revenues to annually fund capital expenditures, reserves, and other lawful uses and purposes of the Water Enterprise.

The formula for annual “Net Revenues” (which are defined as annual Water Enterprise revenues minus the annual costs of operating/maintaining the Water Enterprise) to “cover” annual debt service is:

Calculation 1: Annual Revenues – Operating & Maintenance Expenses = Annual Net Revenues

Calculation 2: Annual Net Revenues = (at least) 1.20 x Annual Debt Service

Using the above “Net Revenues Coverage” formula, staff expects the Water Enterprise will generate annual net revenues at a ratio above 2.5 to 1 to “cover” debt service payments under the City Financing Agreement.

Conclusion

Staff recommends that the City Council adopt a resolution approving the WIFIA Loan from the U.S. EPA’s WIFIA program in the maximum principal amount of \$34,000,000 (excluding capitalized interest), payments by the City under the City Financing Agreement in the maximum principal amount of \$16,738,200 (excluding capitalized interest), and an interest rate not to exceed 5.25%; approving a pledge of the Net Revenues of the Water Enterprise; and approving related agreements and actions.

Staff are available to provide any additional information requested by the Mayor or Councilmembers.

Respectfully submitted,



Joshua Cosgrove
Director of Water and Wastewater Resources



Rose Zimmerman
City Attorney

Attachment 1: Draft Resolution
Attachment 2: WIFIA Loan Agreement
Attachment 3: City Financing Agreement
Attachment 4: Amended and Restated Memorandum of Agreement

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DALY CITY
AUTHORIZING THE EXECUTION AND DELIVERY OF A WIFIA LOAN
AGREEMENT WITH THE DALY CITY JOINT POWERS FINANCING
AUTHORITY, THE NORTH SAN MATEO COUNTY SANITATION DISTRICT
AND THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY AND
A FINANCING AGREEMENT (WIFIA LOAN AGREEMENT) WITH THE DALY
CITY JOINT POWERS FINANCING AUTHORITY IN CONNECTION WITH THE
FINANCING OF THE VISTA GRANDE DRAINAGE BASIN IMPROVEMENT
PROJECT AND AUTHORIZING THE CITY MANAGER (OR DISTRICT
MANAGER), OR DESIGNEE, TO EXECUTE AND DELIVER SUCH
AGREEMENTS AND RELATED DOCUMENTS AND APPROVING A
PLEDGE OF REVENUES FOR REPAYMENT OF FUNDING, AND APPROVING
RELATED AGREEMENTS AND ACTIONS

R E C I T A L S

WHEREAS, the City of Daly City (the "City") and the North San Mateo County Sanitation District (the "District") established the Daly City Joint Powers Financing Authority (the "Authority") pursuant to a Joint Exercise of Powers Agreement, dated as of March 1, 2021, as amended and restated as of November 1, 2022 (the "Joint Exercise of Powers Agreement"); and

WHEREAS, the Authority is a public entity separate and apart from the City and the District; and

WHEREAS, the City and the District desire to finance the costs of acquiring, constructing and/or reconstructing certain public facilities and improvements to maintain and enhance water quality, manage non-point source pollution, protect drinking water sources, and manage related impacts to City, District and regional water and wastewater systems including certain treatment facilities, pipelines and other infrastructure, which project is commonly referred to as the Vista Grande Drainage Basin Improvement Project (the "Project"); and

WHEREAS, with respect to the Project's compliance with the California Environmental Quality Act ("CEQA"), (i) on December 11, 2017, the City approved the Project and certified its accompanying Environmental Impact Report (SCH Number 2013032001) ("EIR") as complying with CEQA, (ii) along with the certification, the City adopted all necessary findings and a mitigation reporting and monitoring plan for the Project, and (iii) since approval of the Project, there have been no substantial changes in the Project, substantial changes in its circumstances, or new information of substantial importance necessitating major revisions of the EIR pursuant to Public Resources Code section 21166 or CEQA Guidelines section 15162, and thus no subsequent or supplemental CEQA review is required; and

WHEREAS, the City intends to finance the construction and/or reconstruction of a portion of the Project with moneys ("Project Funds") provided by (i) the State of California, acting by and through the State Water Resources Control Board (the "State Water Board") and (ii) the federal Water Infrastructure Finance and Innovation Act ("WIFIA") program, which is administered by the United States Environmental Protection Agency ("U.S. EPA") ; and

WHEREAS, in order to provide financing for the Project, the City Council wishes at this time to authorize the execution and delivery of (i) a WIFIA Loan Agreement among the District, the City, the Authority and the U.S. EPA (including the exhibits and schedules attached thereto, the “WIFIA Loan Agreement”) and (ii) a Financing Agreement (WIFIA Loan Agreement) between the City and the Authority (including the appendix and schedule attached thereto, the “City Financing Agreement”); and

WHEREAS, under the City Financing Agreement, the Authority Bond Payments (as defined in the City Financing Agreement) payable by the City will be secured by a pledge of and payable from City Net Revenues (as defined in the WIFIA Loan Agreement) of the City’s Water Enterprise (as defined in the City Financing Agreement), on a parity basis with the City’s obligation to make certain payments denominated Member Agency Payments pursuant to a Financing Agreement, dated as of September 12, 2024, by and between the Authority and the City, related to financing for the Project from the State Water Board (the “SRF Member Agency Payments”); and

WHEREAS, the Authority is authorized to execute and deliver the WIFIA Loan Agreement and the related bond pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Bond Law”); and

WHEREAS, the Authority is authorized to enter into and perform its obligations under the City Financing Agreement pursuant to Government Code Section 6504 and the Joint Exercise of Powers Agreement; and

WHEREAS, the City is authorized to enter into and perform its obligations under the City Financing Agreement and the WIFIA Loan Agreement pursuant to Government Code Section 6504 and the Joint Exercise of Powers Agreement; and

WHEREAS, the Authority, the City and the District previously executed a Memorandum of Agreement, dated March 29, 2024 (the “Original Memorandum of Agreement”), documenting their respective roles with respect to ownership, construction, operation and financing of the Project and other related matters, and the Authority, the City and the District have determined that it is in their best interests to amend the Original Memorandum of Agreement to document certain additional terms in connection with the WIFIA Loan Agreement; and

WHEREAS, the City Council of the City has duly considered such transactions and has determined to approve said transactions as being in the public interest of the City; and

WHEREAS, pursuant to Government Code Section 5852.1, certain information relating to the City’s obligation to make Authority Bond Payments under the City Financing Agreement is set forth in Exhibit A attached to this Resolution, and such information is hereby disclosed and made public;

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

SECTION 1. Each of the above recitals is true and correct and is adopted by the City Council.

SECTION 2. Based on the information provided to the City Council by City staff and consultants, all as set forth in the proceedings and documents providing for the execution and delivery of the WIFIA Loan Agreement and the City Financing Agreement, the City Council

hereby finds and determines that the execution and delivery of the WIFIA Loan Agreement and the City Financing Agreement and the transactions related thereto will result in significant public benefits within the contemplation of Government Code Section 6586, namely, demonstrable savings in effective interest rate and financing costs.

SECTION 3. The City approves the proposed financing from the U.S. EPA pursuant to the WIFIA Loan Agreement in a principal amount not to exceed \$34,000,000 (excluding capitalized interest) with an interest rate not to exceed 5.25%.

SECTION 4. The WIFIA Loan Agreement is hereby approved in substantially the form on file with the City Clerk, with such changes as may be approved by the City Manager, the Finance Director or the Public Works Director, acting alone (each an "Authorized Officer"), after consultation with the City Attorney. Execution by an Authorized Officer of the WIFIA Loan Agreement shall constitute conclusive evidence of the City Council's approval of all such changes. Each of the Authorized Officers is hereby authorized, together or alone, to execute and deliver the WIFIA Loan Agreement. The City Clerk is hereby authorized to attest to the Authorized Officer's signature, if applicable.

SECTION 5. The City Financing Agreement is hereby approved in substantially the form on file with the City Clerk, with such changes as may be approved by an Authorized Officer, after consultation with the City Attorney. Execution by an Authorized Officer of the City Financing Agreement shall constitute conclusive evidence of the City Council's approval of all such changes. Each of the Authorized Officers is hereby authorized, together or alone, to execute and deliver the City Financing Agreement. The City Clerk is hereby authorized to attest to the Authorized Officer's signature, if applicable.

Amounts due under the City Financing Agreement shall be payable by the City from the City Net Revenues of the Water Enterprise and subject to the other terms and conditions set forth in the City Financing Agreement as finally executed and delivered by the City; provided, that the principal component of the Authority Bond Payments payable by the City under the City Financing Agreement shall not exceed 49.23% of the principal amount of the WIFIA Loan (as defined in the WIFIA Loan Agreement) and the interest rate on the principal component of the Authority Bond Payments payable by the City under the City Financing Agreement shall not exceed 5.25% per annum.

The City Council hereby approves the pledge of, and creation of a lien and security interest in, all City Net Revenues under the City Financing Agreement on a parity basis with the pledge and lien of the SRF Member Agency Payments on the City Net Revenues.

SECTION 6. The covenants and obligations of the City set forth in the WIFIA Loan Agreement and the City Financing Agreement to be executed in accordance with Sections 3 and 4 above are hereby approved, shall be deemed to be covenants and obligations of the City Council, and shall be complied with by the City and its officers.

SECTION 7. The City Council hereby approves the Amended and Restated Memorandum of Agreement, which amends and restates the Original Memorandum of Agreement, in substantially the form on file with the City Clerk, with such changes as may be approved by an Authorized Officer, after consultation with the City Attorney. Execution by an Authorized Officer of the Amended and Restated Memorandum of Agreement shall constitute conclusive evidence of the City's approval of all such changes. Each of the Authorized Officers is hereby authorized, together

or alone, to execute and deliver the Amended and Restated Memorandum of Agreement. The City Clerk is hereby authorized to attest to the Authorized Officer's signature, if applicable.

SECTION 8. Each Authorized Officer and the other officers and staff of the City responsible for the Project, the Water Enterprise or the fiscal affairs of the City are hereby authorized and directed to take any actions and execute and deliver any and all documents and certificates as are necessary to accomplish and to consummate the transactions contemplated by this Resolution, the WIFIA Loan Agreement and the City Financing Agreement. All actions taken by an Authorized Officer and such other officers and staff of the City consistent with this Resolution, the WIFIA Loan Agreement or the City Financing Agreement are hereby ratified, approved and confirmed.

SECTION 9. This Resolution shall take effect immediately upon its passage and adoption.

I hereby certify the foregoing to be a true copy of a Resolution adopted by the City Council of the City of Daly City, California, at a regular meeting thereof held on the ____ day of ____, 2026, by the following vote of the members thereof:

AYES, and in favor thereof, Councilmembers:

NOES, Councilmembers:

ABSENT, Councilmembers:

ABSTAIN, Councilmembers:

CITY CLERK OF THE CITY OF DALY CITY

APPROVED:

MAYOR OF THE CITY OF DALY CITY

EXHIBIT A

REQUIRED GOOD FAITH ESTIMATES PURSUANT TO GOVERNMENT CODE SECTION 5852.1

1. True Interest Cost of the City's Authority Bond Payments under the City Financing Agreement: 4.81%
2. Finance charge of the City's Authority Bond Payments under the City Financing Agreement, being the sum of all fees and charges paid to third parties: \$199,064
3. Amount of Project Funds expected to be received by the City under the City Financing Agreement, net of proceeds for finance charges in (2) above and net of capitalized interest (if any) and reserves (if any) paid or funded with the Project Funds: \$16,920,435
4. Total payment amount for the Project Funds, being the sum of (a) the Authority Bond Payments to be paid by the City under the City Financing Agreement to final maturity (\$40,330,008), plus (b) any financing costs not paid from proceeds of the Project Funds (\$0): \$40,330,008

**All amounts and percentages are estimates, and are made in good faith by the City based on information available as of the date of adoption of this Resolution.*

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WIFIA LOAN AGREEMENT

For Up to \$33,890,228

With

DALY CITY JOINT POWERS FINANCING AUTHORITY,

CITY OF DALY CITY and

NORTH SAN MATEO COUNTY SANITATION DISTRICT

For the

**VISTA GRANDE DRAINAGE BASIN IMPROVEMENT PROJECT
(WIFIA – N19124CA)**

Dated as of [●], 2026

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SCHEDULE III – Existing Indebtedness

SCHEDULE IV – Flows of Funds

SCHEDULE V – Construction Contracts

SCHEDULE VI – WIFIA Loan Amortization Schedule

EXHIBIT A – Form of WIFIA Bond

EXHIBIT B-1 – Requisition Procedures and Form of Requisition

EXHIBIT B-2 – Certification of Eligible Project Costs Documentation

EXHIBIT C-1 – Opinions Required from Counsel to Obligors

EXHIBIT C-2 – Opinions Required from Bond Counsel

EXHIBIT D – Form of Closing Certificate

EXHIBIT E – Form of Certificate of Substantial Completion

EXHIBIT F – Form of Construction Monitoring Report

EXHIBIT G – Form of Public Benefits Report

WIFIA LOAN AGREEMENT

THIS WIFIA LOAN AGREEMENT (this “**Agreement**”), dated as of [●], 2026, is by and among **DALY CITY JOINT POWERS FINANCING AUTHORITY**, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the “**State**”), with an address at 333 90th St, Daly City, CA 94015 (the “**Borrower**”), **CITY OF DALY CITY**, a general city and municipal corporation established under the Constitution of the State, with an address at 333 90th St, Daly City, CA 94015 (the “**City**”), **NORTH SAN MATEO COUNTY SANITATION DISTRICT**, a county sanitation district and subsidiary district of the City established under the laws of the State, with an address at 333 90th St, Daly City, CA 94015 (the “**District**” and, together with the City, the “**Members**,” and the Members, collectively with the Borrower, the “**Obligors**”), and the **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “**Administrator**”), with an address at 1200 Pennsylvania Avenue NW, Washington, DC 20460 (the “**WIFIA Lender**”).

RECITALS:

WHEREAS, the Congress of the United States of America enacted the Water Infrastructure Finance and Innovation Act, as amended by Section 1445 of the Fixing America’s Surface Transportation Act of 2015, as further amended by Section 5008 of the Water Infrastructure Improvements For the Nation Act of 2016 and by Section 4201 of America’s Water Infrastructure Act of 2018 (collectively, as the same may be amended from time to time, the “**Act**” or “**WIFIA**”), which is codified as 33 U.S.C. §§ 3901-3915;

WHEREAS, the Act authorizes the WIFIA Lender to enter into agreements to provide financial assistance with one or more eligible entities to make loans with appropriate security features to finance a portion of the eligible costs of projects eligible for assistance;

WHEREAS, the Obligors previously entered into that certain Memorandum of Agreement, dated as of March 29, 2024 (the “**MOA**”), pursuant to which the parties thereto (a) allocated ownership of the Project to the City, (b) allocated responsibility for construction of the Project to the City, with 49.23% of the construction costs allocable to the Water Enterprise and 50.77% of the construction costs allocable to the Sewer Enterprise and (c) allocated responsibility for operation and maintenance of the Project to the City, with 49.23% of the operation and maintenance costs allocable to the Water Enterprise and 50.77% of the operation and maintenance costs allocable to the Sewer Enterprise.

WHEREAS, in order to provide assistance to Members in connection with financing programs of the Members, including the financing of the Project and for other financing purposes authorized under Article 4 of the Joint Powers Law and other applicable law, the Members entered into a Joint Exercise of Powers Agreement, dated as of March 1, 2021, and as amended and restated on November 1, 2022 (the “**Joint Powers Agreement**”), under which the Borrower has been organized as a joint powers authority (which is a public entity separate and apart from the Members);

WHEREAS, the Members have asked the Borrower to provide financing for the Project;

WHEREAS, the Borrower has requested that the WIFIA Lender make the WIFIA Loan (as defined herein) to the Borrower in a principal amount not to exceed \$33,890,228 to be used to pay a portion of the Eligible Project Costs related to the Project pursuant to the application for WIFIA financial assistance received December 31, 2024 (the “**Application**”);

WHEREAS, as of the date hereof, the Administrator has approved WIFIA financial assistance for the Project to be provided in the form of the WIFIA Loan, subject to the terms and conditions contained herein;

WHEREAS, based on the Application and the representations, warranties and covenants set forth herein, the WIFIA Lender proposes to make funding available to the Borrower for a portion of the costs of the Project through the issuance of the WIFIA Bond (as defined herein), upon the terms and conditions set forth herein;

WHEREAS, as of the date hereof, the Borrower has entered into a WIFIA FA with each of the Members, pursuant to which, inter alia, each Member has agreed to pay its Allocable Share of the principal and interest relating to the WIFIA Bond, such payments being secured by the Net Revenues;

WHEREAS, the Borrower agrees to repay any amount due pursuant to this Agreement and the WIFIA Bond in accordance with the terms and provisions of this Agreement and of the WIFIA Bond;

WHEREAS, the Borrower has agreed to pledge and assign to the WIFIA Lender and grant to the WIFIA Lender for its benefit Liens on (a) all of the Authority Revenues, (b) all of the right, title and interest (but none of the obligations) of the Borrower in the WIFIA FAs and (c) the WIFIA Debt Service Account; and

WHEREAS, the WIFIA Lender has entered into this Agreement in reliance upon, among other things, the information and representations of the Obligors set forth in the Application and the supporting information provided by the Obligors.

NOW, THEREFORE, the premises being as stated above, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged to be adequate, and intending to be legally bound hereby, it is hereby mutually agreed by and among the Obligors and the WIFIA Lender as follows:

ARTICLE I DEFINITIONS AND INTERPRETATION

Section 1. Definitions.

Unless the context otherwise requires, capitalized terms used in this Agreement shall have the meanings set forth below in this Section 1 (*Definitions*) or as otherwise defined in this Agreement. Any term used in this Agreement that is defined by reference to any other agreement shall continue to have the meaning specified in such agreement, whether or not such agreement remains in effect.

“Act” means the Act as defined in the recitals hereto.

“Additional Construction Contract” means, with respect to the Project, each Construction Contract entered into after the Effective Date.

“Additional Obligations” means Additional Parity Obligations and Additional Subordinated Obligations.

“Additional Parity Obligations” means Obligations issued or incurred on or after the Effective Date and payable from Net Revenues on a parity with the payment of the Authority Bond Payments for the purpose of paying all or a portion of the costs of a System, including the financing of all or a part of the cost of acquisition and construction of any additions to or improvements of such System, which Parity Obligations satisfy the conditions set forth in Section 15(c) (*Negative Covenants – Issuance of Parity Obligations*), including payments due under Qualified Swap Agreements.

“Additional Subordinated Obligations” means Obligations issued or incurred on or after the Effective Date which are expressly made subordinate and junior in right of payment from a Revenue Fund and right of security to the Parity Obligations and which comply with the provisions of Section 15(d) (*Negative Covenants – Issuance of Subordinated Obligations*).

“Administrator” has the meaning provided in the preamble hereto.

“Agreement” has the meaning provided in the preamble hereto.

“Allocable Share” means the portion of the proceeds of the WIFIA Bond that is allocable to each of the Members, which portion shall equal 49.23% with respect to the City and 50.77% with respect to the District.

“Anti-Corruption Laws” means all laws, rules and regulations of any jurisdiction from time to time concerning or relating to bribery or corruption.

“Anti-Money Laundering Laws” means all U.S. and other applicable laws, rules and regulations of any jurisdiction from time to time concerning or related to anti-money laundering, including but not limited to those contained in the Bank Secrecy Act and the Patriot Act.

“Application” has the meaning provided in the recitals hereto.

“Authority Bond Payment Date” means the fifth (5th) Business Day prior to each Payment Date.

“Authority Bond Payments” means the amounts paid by each Member under its respective WIFIA FA representing the principal and interest due on such Member’s Allocable Share with respect to the WIFIA Bond, as such payments are set forth in **Appendix B** (*Authority Bond Payment Schedule*) of each WIFIA FA.

“Authority Revenues” means (a) the Authority Bond Payments, (b) all amounts on deposit from time to time in the WIFIA Debt Service Account and (c) income and gains with respect to the investment of amounts on deposit in the WIFIA Debt Service Account.

“Authorized Representative” means each of the Borrower’s Authorized Representative, the City’s Authorized Representative and the District’s Authorized Representative.

“Bank Secrecy Act” means the Bank Secrecy Act of 1970, as amended, and the regulations promulgated thereunder.

“Bankruptcy Related Event” means, with respect to any Obligor, (a) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of such Obligor or any of its debts, or of a substantial part of the assets thereof, under any Insolvency Laws, or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for such Obligor or for a substantial part of the assets thereof and, in any case referred to in the foregoing subclauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; (b) such Obligor (other than with respect to clause (iii) below, which applies to the Borrower only) shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official therefor or for a substantial part of the assets thereof, (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or become unable to pay its debts generally as they become due, (iii) fail to make a payment of WIFIA Debt Service in accordance with the provisions of Section 8 (*Payment of Principal and Interest*) and such failure is not cured within thirty (30) days following notification by the WIFIA Lender of failure to make such payment, (iv) make a general assignment for the benefit of creditors, (v) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, (vi) commence a voluntary proceeding under any Insolvency Law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief, in each case under any Insolvency Law, (vii) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing subclauses (i) through (v), inclusive, of this clause (b), or (viii) take any action for the purpose of effecting any of the foregoing; (c) (i) any Person shall commence a process pursuant to which all or a substantial part of either Member’s Net Revenues or Authority Revenues may be sold or otherwise disposed of in a public or private sale or disposition pursuant to a foreclosure of the Liens thereon securing the Obligations, or (ii) any Person shall commence a process pursuant to which all or a substantial part of either Member’s Net Revenues or Authority Revenues may be sold or otherwise disposed of pursuant to a sale or disposition of such Net Revenues or Authority Revenues in lieu of foreclosure; or (d) any receiver, trustee, liquidator,

custodian, sequestrator, conservator or similar official shall transfer, pursuant to directions issued by the holders of any Obligations, amounts on deposit in any of the funds or accounts of either System upon the occurrence and during the continuation of an Event of Default under this Agreement or an event of default under any Issuing Instrument for application to the prepayment or repayment of any principal amount of the Obligations other than in accordance with the provisions of this Agreement.

“Base Case Financial Model” means a financial model prepared by the Members (or the City on behalf of the Members) forecasting the capital costs of the Systems (including the Project) and the rates, revenues, operating expenses and major maintenance requirements of the Systems (including the Project) for time periods through the Final Maturity Date and based upon assumptions and methodology provided by the Members (or the City on behalf of the Members) and acceptable to the WIFIA Lender as of the Effective Date, which model shall be provided to the WIFIA Lender as a fully functional Microsoft Excel-based financial model or such other format requested by the WIFIA Lender.

“Borrower” has the meaning provided in the preamble hereto.

“Borrower’s Authorized Representative” means any Person who shall be designated as such pursuant to Section 21 (*Obligors’ Authorized Representatives*).

“Business Day” means any day other than a Saturday, a Sunday or a day on which offices of the Government or the State are authorized to be closed or on which commercial banks are authorized or required by law, regulation or executive order to be closed in New York, New York or Daly City, California.

“City” has the meaning provided in the preamble hereto.

“City Flow of Funds” means the requirements specified in Section 4(b) (*Water Fund; Application of Revenues*) of the WIFIA City FA, a copy of which is set forth in Part A (*City Flow of Funds*) of **SCHEDULE IV** (*Flows of Funds*).

“City Maintenance and Operation Costs” means the reasonable and necessary costs paid or incurred by the City for maintaining and operating the Water Enterprise, determined in accordance with GAAP, including (a) all reasonable expenses of management, repair and all other expenses necessary to maintain and preserve the Water Enterprise in good repair and working order; (b) all reasonable and necessary administrative costs of the City that are charged directly or apportioned to the operation of the Water Enterprise, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses and charges to operate the Water Enterprise and insurance premiums; and (c) amounts reasonably required to be set aside in an operations and maintenance contingency reserve for such costs the payment of which is not immediately required and which shall not exceed, for purposes of constituting City Maintenance and Operation Costs for a Fiscal Year that can be paid prior to Debt Service on Outstanding Parity Obligations, the City O&M Reserve Amounts, (for clarity nothing in this clause (c) shall limit the aggregate amount of City O&M Reserve Amounts or the amount of City Net Revenues for a Fiscal Year or any prior Fiscal Year that can be deposited into an operations and maintenance contingency reserve from amounts in the Water Fund pursuant to clause (f) of the City Flow of Funds), but excluding, in all

cases (i) depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles, (ii) all costs paid from the proceeds of taxes received by the City and (iii) all interest charges and charges for the payment of principal, or amortization, of bonded or other indebtedness of the City, and payments pursuant to a Qualified Swap Agreement. For the avoidance of doubt, “City Maintenance and Operation Costs” includes amounts payable for maintenance and operation under the Joint Powers Agreement, the MOA and equivalent agreements entered into between the City and the Borrower with respect to other projects, but does not include payments made by the City under the Joint Powers Agreement in respect of debt service on notes, bonds or other obligations issued by the City or the Borrower.

“**City Net Revenues**” for any Fiscal Year means the City Revenues for such Fiscal Year less all City Maintenance and Operation Costs for such Fiscal Year.

“**City O&M Reserve Amounts**” means five percent (5%) of the budgeted City Maintenance and Operations Costs set forth in the then current adopted budget.

“**City Revenues**” means, for each Fiscal Year, all gross income and revenue received by the City from the ownership or operation of the Water Enterprise, determined in accordance with GAAP, including (a) all rates, fees, and charges (including connection fees and charges) as received by the City for services of the Water Enterprise; (b) amounts transferred into the Water Fund from the Rate Stabilization Fund of the City and (c) all other income and revenue howsoever derived by the City from the ownership or operation of the Water Enterprise or arising from the Water Enterprise, including all income from the deposit or investment of any money in the Water Fund or the Rate Stabilization Fund or held on the City’s behalf, *minus* amounts, if any, withdrawn by the City from City Revenues during such Fiscal Year for deposit in the Rate Stabilization Fund of the City, *and minus* any moneys derived from refundable deposits and advances or contributions.

“**City’s Authorized Representative**” means any Person who shall be designated as such pursuant to Section 21 (*Obligors’ Authorized Representatives*).

“**Closing Certificate**” has the meaning provided in Section 11(a)(vi) (*Conditions Precedent – Conditions Precedent to Effectiveness*).

“**Code**” means the Internal Revenue Code of 1986, or any successor tax code, as amended from time to time, and the applicable regulations proposed or promulgated thereunder.

“**Congress**” means the Congress of the United States of America.

“**Construction Contract**” means, with respect to the Project, any prime contract entered into by any Member that involves any construction activity (such as demolition, site preparation, civil works construction, installation, remediation, refurbishment, rehabilitation, or removal and replacement services) for the Project. For the avoidance of doubt, “**Construction Contract**” shall include each Existing Construction Contract and, upon the effectiveness thereof, each Additional Construction Contract.

“**Construction Contractor**” means any Person (other than any Obligor) party to a Construction Contract.

“Construction Period” means the period from the Effective Date through the Substantial Completion Date.

“Construction Period Servicing Fee” has the meaning set forth in Section 10(a)(ii) (*Fees and Expenses – Fees*).

“Construction Schedule” means (a) the initial schedule or schedules on which the construction timetables for the Project are set forth, attached as **Schedule II** (*Construction Schedule*), and (b) any updates thereto included in the Construction Monitoring Report most recently submitted to the WIFIA Lender pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*).

“Consultant” means a consultant, consulting firm, engineer, architect, engineering firm, architectural firm, accountant or accounting firm retained by a Member to perform acts, prepare certificates or otherwise carry out the duties provided for a Consultant in this Agreement. Such consultant, consulting firm, engineer, architect, engineering firm or architectural firm shall be nationally recognized within its profession for works of the character required. Such accountants or accounting firm shall be Independent Accountants licensed to practice in the State.

“CPI” means the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84=100 (not seasonally adjusted) or its successor, published by the Bureau of Labor Statistics, currently available at <https://www.bls.gov/news.release/cpi.t01.htm>.

“Credit Provider” means any municipal bond insurance company, bank or other financial institution or organization which is performing in all material respects its obligations under any Credit Support Instrument for some or all of the Parity Obligations.

“Credit Provider Reimbursement Obligations” means obligations of a Member to pay from its Revenue Fund amounts due under a Credit Support Agreement, including amounts advanced by a Credit Provider pursuant to a Credit Support Instrument as credit support or liquidity for Parity Obligations and the interest with respect thereto.

“Credit Support Agreement” means, with respect to any Credit Support Instrument, the agreement or agreements (which may be the Credit Support Instrument itself) between a Member and the applicable Credit Provider, as originally executed or as it may from time to time be replaced, supplemented or amended in accordance with the provisions thereof, providing for the reimbursement to the Credit Provider for payments under such Credit Support Instrument, and the interest thereon, and includes any subsequent agreement pursuant to which a substitute Credit Support Instrument is provided, together with any related pledge agreement, security agreement or other security document.

“Credit Support Instrument” means a policy of insurance, a letter of credit, a stand-by purchase agreement, revolving credit agreement or other credit arrangement pursuant to which a Credit Provider provides credit or liquidity support with respect to the payment of interest, principal or the purchase price of any Parity Obligations.

“Debt Service” means, with respect to any Member for any Fiscal Year, the aggregate amount of principal and interest scheduled to become due (either at maturity or by mandatory redemption) on all Outstanding Parity Obligations; provided that the following adjustments and assumptions shall be made:

(a) principal payments (unless a different paragraph of this definition applies for purposes of determining principal maturities or amortization) are made in accordance with any amortization schedule published for such principal, including any minimum sinking fund payments;

(b) interest on a variable rate Outstanding Parity Obligation that is not subject to a swap agreement and that is issued or will be issued as a Tax-Exempt obligation under federal law, is the average of the SIFMA Index, or its successor index, during the twenty-four (24) months preceding the date of such calculation;

(c) interest on a variable rate Outstanding Parity Obligation that is not subject to a swap agreement and that is issued or will be issued as a taxable obligation under federal law, is the average of SOFR, or its successor index, during the twenty-four (24) months preceding the date of such calculation;

(d) interest on a variable rate Outstanding Parity Obligation that is subject to a swap agreement is the fixed swap rate or cap strike rate, as appropriate, if the variable rate has been swapped to a fixed rate or capped pursuant to an interest rate cap agreement or similar agreement;

(e) interest on a fixed rate Outstanding Parity Obligation that is subject to a swap agreement such that all or a portion of the interest has been swapped to a variable rate shall be treated as variable rate debt under paragraph (b) or (c) above of this definition of Debt Service;

(f) payments of principal and interest on an Outstanding Parity Obligation are excluded from the calculation of Debt Service to the extent such payments are to be paid from amounts then currently on deposit with a trustee or other fiduciary and restricted for the defeasance of such Outstanding Parity Obligation; and

(g) if twenty-five percent (25%) or more of the principal of an Outstanding Parity Obligation is not due until its final stated maturity, then principal and interest on that Outstanding Parity Obligation may be projected to amortize over the lesser of thirty (30) years or the useful life of the financed asset, and interest may be calculated according to paragraphs (b) to (e) above of this definition of Debt Service, as appropriate.

“Debt Service Payment Commencement Date” means the earlier to occur of (a) the first Payment Date immediately following the Initial Disbursement Date, as set forth in the WIFIA Loan Amortization Schedule, as such schedule may be adjusted in accordance with Section 8(d) (*Adjustments to WIFIA Loan Amortization Schedule*) and (b) the Payment Date falling closest to, but not later than, the fifth (5th) anniversary of the Substantial Completion Date.

“Default” means any event or condition that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“Default Rate” means an interest rate equal to the sum of (a) the WIFIA Interest Rate plus (b) two hundred (200) basis points.

“Development Default” means (a) either Member abandons work or fails, in the reasonable judgment of the WIFIA Lender, to diligently prosecute the work related to the Project or (b) Substantial Completion of the Project fails to occur on a date on or before August 22, 2031.

“District” has the meaning provided in the preamble hereto.

“District Flow of Funds” means the requirements specified in Section 4(b) (*Sewer Funds; Application of Revenues*) of the WIFIA District FA, a copy of which is set forth in Part B (*District Flow of Funds*) of **SCHEDULE IV** (*Flows of Funds*).

“District Maintenance and Operation Costs” means the reasonable and necessary costs paid or incurred by the District for maintaining and operating the Sewer Enterprise, determined in accordance with GAAP, including (a) all reasonable expenses of management, repair and all other expenses necessary to maintain and preserve the Sewer Enterprise in good repair and working order; (b) all reasonable and necessary administrative costs of the District that are charged directly or apportioned to the operation of the Sewer Enterprise, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses and charges to operate the Sewer Enterprise and insurance premiums; and (c) amounts reasonably required to be set aside in an operations and maintenance contingency reserve for such costs the payment of which is not immediately required and which shall not exceed, for purposes of constituting District Maintenance and Operation Costs for a Fiscal Year that can be paid prior to Debt Service on Outstanding Parity Obligations, the District O&M Reserve Amounts, (for clarity nothing in this clause (c) shall limit the aggregate amount of District O&M Reserve Amounts or the amount of District Net Revenues for a Fiscal Year or any prior Fiscal Year that can be deposited into an operations and maintenance contingency reserve from amounts in the Sewer Fund pursuant to clause (f) of the District Flow of Funds), but excluding, in all cases (i) depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles, (ii) all costs paid from the proceeds of taxes received by the District and (iii) all interest charges and charges for the payment of principal, or amortization, of bonded or other indebtedness of the District, and payments pursuant to a Qualified Swap Agreement. For the avoidance of doubt, “District Maintenance and Operation Costs” includes amounts payable for maintenance and operation under the Joint Powers Agreement, the MOA and equivalent agreements entered into between the District and the Borrower with respect to other projects, but does not include payments made by the District under the Joint Powers Agreement in respect of debt service on notes, bonds or other obligations issued by the District or the Borrower.

“District Net Revenues” for any Fiscal Year means the District Revenues for such Fiscal Year less all District Maintenance and Operation Costs for such Fiscal Year.

“District O&M Reserve Amounts” means five percent (5%) of the budgeted District Maintenance and Operations Costs set forth in the then current adopted budget.

“District Revenues” means, for each Fiscal Year, all gross income and revenue received by the District from the ownership or operation of the Sewer Enterprise, determined in accordance

with GAAP, including (a) all rates, fees, and charges (including connection fees and charges) as received by the District for Sewer Service; (b) amounts transferred into the Sewer Fund from the Rate Stabilization Fund of the District and (c) all other income and revenue howsoever derived by the District from the ownership or operation of the Sewer Enterprise or arising from the Sewer Enterprise, including all income from the deposit or investment of any money in the Sewer Fund or the Rate Stabilization Fund of the District or held on the District's behalf, *minus* amounts, if any, withdrawn by the District from District Revenues during such Fiscal Year for deposit in the Rate Stabilization Fund of the District, *and minus* any moneys derived from refundable deposits and advances or contributions.

“District’s Authorized Representative” means any Person who shall be designated as such pursuant to Section 21 (*Obligors’ Authorized Representatives*).

“Dollars” and **“\$”** means the lawful currency of the United States of America.

“Effective Date” means the date of this Agreement.

“Eligible Project Costs” means amounts in the Project Budget approved by the WIFIA Lender, which are paid by or for the account of any Obligor in connection with the Project (including, as applicable, Project expenditures incurred prior to the receipt of WIFIA credit assistance), which shall arise from the following:

(a) development-phase activities, including planning, feasibility analysis (including any related analysis necessary to carry out an eligible project), revenue forecasting, environmental review, permitting, preliminary engineering and design work and other preconstruction activities;

(b) construction, reconstruction, rehabilitation, and replacement activities;

(c) the acquisition of real property or an interest in real property (including water rights, land relating to the Project and improvements to land), environmental mitigation (including acquisitions pursuant to Section 33 U.S.C. § 3905(8)), construction contingencies, and acquisition of equipment; or

(d) capitalized interest (with respect to Obligations other than the WIFIA Loan) necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction,

provided that Eligible Project Costs must be consistent with all applicable federal law, including the Act.

“Eligible Project Costs Documentation” has the meaning provided in Section 1 (*General Requirements*) of **Exhibit B-1** (*Requisition Procedures and Form of Requisition*).

“EMMA” means the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)1 of the Securities Exchange Act of 1934, as amended, and its successors.

“Environmental Laws” has the meaning provided in Section 12(q) (*Representations and Warranties of Obligors – Environmental Matters*).

“EPA” means the United States Environmental Protection Agency.

“Event of Default” has the meaning provided in Section 17(a) (*Events of Default and Remedies*).

“Event of Loss” means any event or series of events that causes any portion of either System to be damaged, destroyed or rendered unfit for normal use for any reason whatsoever, including through a casualty, a failure of title, or any loss of such property through eminent domain.

“Existing Parity Obligations” means the Obligations listed and described in Part A (*Parity Obligations of the City*) and Part B (*Parity Obligations of the District*) of **Schedule III** (*Existing Indebtedness*).

“Existing Construction Contract” means each Construction Contract with respect to the Project in effect as of the Effective Date and set forth in Part A (*Existing Construction Contracts*) of **SCHEDULE V** (*Construction Contracts*).

“Existing Subordinated Obligations” means the Obligations listed and described in Part C (*Subordinated Obligations of the City*) and Part D (*Subordinated Obligations of the District*) of **Schedule III** (*Existing Indebtedness*).

“Federal Fiscal Year” means the fiscal year of the Government, which is the twelve (12) month period that ends on September 30 of the specified calendar year and begins on October 1 of the preceding calendar year.

“Federal Securities” means any (a) direct general obligations of the Government (including obligations issued or held in book entry form on the books of the Department of the Treasury of the Government), the timely payment of principal of and interest on which are unconditionally and fully guaranteed by the Government; and (b) obligations of any agency, department or instrumentality of the Government the timely payment of principal of and interest on which are fully guaranteed by the Government.

“Final Disbursement Date” means the earliest of (a) the date on which the WIFIA Loan has been disbursed in full; (b) the last anticipated date of disbursement set forth in the then-current WIFIA Loan Disbursement Schedule; (c) the date on which the Borrower has certified to the WIFIA Lender that it will not request any further disbursements under the WIFIA Loan; (d) the date on which the WIFIA Lender terminates its obligations relating to disbursements of any undisbursed amounts of the WIFIA Loan in accordance with Section 17 (*Events of Default and Remedies*); and (e) the date that is one (1) year after the Substantial Completion Date.

“Final Maturity Date” means the earlier of (a) July 1, 2064 (or such earlier date as is set forth in an updated **SCHEDULE VI** (*WIFIA Loan Amortization Schedule*) pursuant to Section 8(d) (*Payment of Principal and Interest – Adjustments to WIFIA Loan Amortization*

Schedule)); and (b) the Principal Payment Date immediately preceding the date that is thirty-five (35) years following the Substantial Completion Date.

“Financial Statements” has the meaning provided in Section 12(u) (*Representations and Warranties of Obligors – Financial Statements*).

“Fiscal Year” means, with respect to any Obligor (a) a fiscal year of such Obligor commencing on July 1 of any calendar year and ending on June 30 of the immediately succeeding calendar year or (b) such other fiscal year as such Obligor may hereafter adopt after giving thirty (30) days’ prior written notice to the WIFIA Lender in accordance with Section 15(i) (*Negative Covenants – Fiscal Year*).

“Flows of Funds” means, together, the City Flow of Funds and the District Flow of Funds.

“Funds and Accounts” means the WIFIA Debt Service Account, the Rate Stabilization Funds and the Revenue Funds.

“GAAP” means generally accepted accounting principles for U.S. state and local governments, as established by the Government Accounting Standards Board (or any successor entity with responsibility for establishing accounting rules for governmental entities), in effect from time to time in the United States of America.

“Government” means the United States of America and its departments and agencies.

“Governmental Approvals” means all authorizations, consents, approvals, waivers, exceptions, variances, filings, permits, orders, licenses, exemptions and declarations of or with any Governmental Authority.

“Governmental Authority” means any federal, state, provincial, county, city, town, village, municipal or other government or governmental department, commission, council, court, board, bureau, agency, authority or instrumentality (whether executive, legislative, judicial, administrative or regulatory), of or within the United States of America or its territories or possessions, including the State and its counties and municipalities, and their respective courts, agencies, instrumentalities and regulatory bodies, or any entity that acts “on behalf of” any of the foregoing, whether as an agency or authority of such body.

“Indemnitee” has the meaning provided in Section 32 (*Indemnification*).

“Independent Accountant” means any certified public accountant or firm of certified public accountants appointed and paid by a Member, and who, or each of whom (a) is in fact independent and not under domination of such Member, (b) does not have any substantial interest, direct or indirect, in such Member and (c) is not connected with such Member as an officer or employee of such Member but who may be regularly retained to make annual or other audits of the books of or reports to such Member.

“Initial Disbursement Date” means the date of the first disbursement of the WIFIA Loan.

“Insolvency Laws” means the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, as from time to time amended and in effect, and any state bankruptcy, insolvency, receivership, conservatorship or similar law now or hereafter in effect.

“Interest Payment Date” means each January 1 and July 1.

“Interim Financing” means interim bond anticipation notes, commercial paper or other short-term temporary financing, in each case with a maturity not later than five (5) years following the issuance or incurrence thereof.

“Investment Grade Rating” means a rating of ‘BBB-,’ ‘Baa3,’ ‘bbb-,’ ‘BBB (low),’ or higher, from a Nationally Recognized Rating Agency.

“Issuing Instrument” means any indenture, trust agreement, loan agreement or other instrument or agreement under which Obligations are issued.

“Joint Powers Agreement” has the meaning provided in the recitals hereto.

“Lien” means any mortgage, pledge, hypothecation, assignment, mandatory deposit arrangement, encumbrance, attachment, lien (statutory or other), charge or other security interest, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including any sale-leaseback arrangement, any conditional sale or other title retention agreement, any financing lease having substantially the same effect as any of the foregoing, and the filing of any financing statement or similar instrument under the UCC or any other applicable law.

“Loss Proceeds” means any proceeds of builders’ risk or casualty insurance (other than any proceeds from any policy of business interruption insurance insuring against loss of revenues upon the occurrence of certain casualties or events covered by such policy of insurance) or proceeds of eminent domain proceedings resulting from any Event of Loss.

“Maintenance and Operation Costs” means (a) with respect to the City, the City Maintenance and Operation Costs, and (b) with respect to the District, the District Maintenance and Operation Costs.

“Material Adverse Effect” means a material adverse effect on (a) the System, the Project, either Member’s Net Revenues or the Authority Revenues, (b) the business, operations, properties, condition (financial or otherwise) or prospects of any Obligor, (c) the legality, validity or enforceability of any material provision of any WIFIA Loan Document, (d) the ability of any Obligor to enter into, perform or comply with any of its material obligations under any WIFIA Loan Document, (e) the validity, enforceability or priority of the Liens provided under the WIFIA Loan Documents on the Net Revenues or the Authority Revenues or (f) the WIFIA Lender’s rights or remedies available under any WIFIA Loan Document.

“Maximum Annual Debt Service” means, with respect to any Member, the maximum amount of Debt Service due on any Outstanding Parity Obligations in any Fiscal Year during the period commencing with the Fiscal Year for which such calculation is made and within the next

five (5) years in which Debt Service for such Outstanding Parity Obligations of such Member will become due.

“Members” has the meaning provided in the preamble hereto.

“MOA” has the meaning provided in the recitals hereto.

“Nationally Recognized Rating Agency” means any nationally recognized statistical rating organization identified as such by the Securities and Exchange Commission.

“NEPA” means the National Environmental Policy Act of 1969, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time.

“NEPA Determination” means the Record of Decision for the Project issued by EPA on July 8, 2025 in accordance with NEPA.

“Net Loss Proceeds” means Loss Proceeds after excluding any proceeds of delay-in-start-up insurance and proceeds covering liability of a Member to third parties.

“Net Revenues” means (a) collectively, the City Net Revenues and the District Net Revenues, (b) with respect to the City only, the City Net Revenues and (c) with respect to the District only, the District Net Revenues.

“Obligations” means, with respect to a Member, the following obligations payable from or secured by Net Revenues: (a) obligations with respect to borrowed money and includes loans or other evidences of indebtedness, installment purchase payments under any contract, and lease payments under any financing or capital lease (determined to be such in accordance with GAAP), which are payable from such Member’s Revenue Fund; (b) obligations to replenish any debt service reserve fund with respect to obligations of such Member described in clause (a) of this definition; (c) obligations secured by or payable from any of obligations of such Member described in clause (a) of this definition; (d) obligations payable from such Member’s Revenue Fund and entered into in connection with, relating to, or otherwise serving as a hedge with respect to, an obligation described in clauses (a), (b) or (c) of this definition under (i) any contract providing for payments based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices, (ii) any contract of such Member to exchange cash flows or a series of payments, or (iii) any contract of such Member to hedge payment, currency, rate spread or similar exposure, including but not limited to interest rate swap agreements and interest rate cap agreements; and (e) Credit Provider Reimbursement Obligations of such Member.

“Obligors” has the meaning provided in the preamble hereto.

“OFAC” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“Operating Period Servicing Fee” has the meaning set forth in Section 10(a)(iii) (*Fees and Expenses – Fees*).

“Organizational Documents” means, with respect to any Obligor: (a) the constitutional and statutory provisions that are the basis for the existence and authority of such Obligor, including any enabling statutes, ordinances or public charters and any other organic laws establishing such Obligor and (b) the resolutions, bylaws, code of regulations, operating procedures or other organizational documents (including any amendments, modifications or supplements thereto) of or adopted by such Obligor by which such Obligor, its powers, operations or procedures or its securities, bonds, notes or other obligations are governed or from which such powers are derived.

“Outstanding” means any Obligation that has not been discharged under the terms of the Issuing Instrument.

“Outstanding WIFIA Loan Balance” means (a) the aggregate principal amount of the WIFIA Loan drawn by the Borrower minus (b) the aggregate principal amount of the WIFIA Loan repaid by the Borrower, as determined in accordance with Section 8(d) (*Payment of Principal and Interest – Adjustments to WIFIA Loan Amortization Schedule*).

“Parity Obligations” means (a) the Authority Bond Payments, (b) the Existing Parity Obligations and (c) any Additional Parity Obligations.

“Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended, and all regulations promulgated thereunder.

“Payment Date” means each Interest Payment Date and each Principal Payment Date.

“Payment Default” has the meaning provided in Section 17(a)(i) (*Events of Default and Remedies – Payment Default*).

“Permitted Investments” means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein:

- (a) Federal Securities;
- (b) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities only as stripped by the agency itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of the Federal National Mortgage Association; and (iv) consolidated system-wide bonds and notes of the Farm Credit System;
- (c) money market mutual funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of at least AAm-G or AAm;
- (d) certificates of deposit, demand deposits, time deposits, other deposit products, interest bearing deposits, interest bearing money market accounts, overnight bank deposits, trust funds, trust accounts and bankers’ acceptances which have a maturity not greater

than one (1) year from the date of investment and which are issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated “A-1+” or better by S&P;

(e) certificates of deposit, savings accounts, deposit accounts or money market deposits, other deposit products, trust funds, trust accounts, overnight bank deposits, interest bearing deposits, interest bearing money market accounts and bankers’ acceptances issued by banks having reported capital and surplus of at least \$15,000,000;

(f) commercial paper having original maturities of not more than twenty-seven (27) days, rated at the time of investment “A-1+” or better by S&P at the time of purchase;

(g) direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated at least “A-” by S&P, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured obligation debt is so rated;

(h) direct general short-term obligations of any state or state agency or subdivision or agency thereof described in paragraph (g) above and rated at least “A-1+” by S&P;

(i) federal funds or bankers’ acceptances with a maximum term of one (1) year of any bank or bank deposit products with an unsecured, uninsured and unguaranteed obligation rating of at least “A-1+” by S&P;

(j) any investment agreement (including guaranteed investment contracts, forward delivery agreements, repurchase agreements or similar obligations) with, or guaranteed by, an entity the long-term unsecured obligations or the claims paying ability of which are rated A or better by a Nationally Recognized Rating Agency (without regard to gradations or modifiers within such category) at the time of initial investment;

(k) the Local Agency Investment Fund which is administered by the California Treasurer for the investment of funds belonging to local agencies within the State; and

(l) any other investment permitted by law.

“Permitted Liens” means:

(a) Liens imposed pursuant to the WIFIA Loan Documents and the other Issuing Instruments;

(b) Liens imposed by law, including Liens for taxes that are not yet due or are being contested in compliance with Section 14(k) (*Affirmative Covenants – Material Obligations; Payment of Claims*);

(c) carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s and other like Liens imposed by law, arising in the ordinary course of business and securing obligations

that are not overdue by more than thirty (30) days or are being contested in compliance with Section 14(k) (*Affirmative Covenants – Material Obligations; Payment of Claims*);

(d) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance, and other social security laws or regulations;

(e) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(f) judgment Liens in respect of judgments that do not constitute an Event of Default under Section 17(a)(vi) (*Events of Default and Remedies – Material Adverse Judgment*); and

(g) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that, in any case, do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of any Obligor.

“Person” means and includes an individual, a general or limited partnership, a joint venture, a corporation, a limited liability company, a trust, an unincorporated organization and any Governmental Authority.

“Principal Payment Date” means each July 1.

“Project” means the Vista Grande Drainage Basin Improvement project, located in City of Daly City, California, and consists of improvements to the regional stormwater drainage system infrastructure to manage flooding and enhance stormwater discharges to the Pacific Ocean.

“Project Budget” means the budget for the Project attached to this Agreement as **Schedule I** (*Project Budget*) showing a summary of Total Project Costs with a breakdown of all Eligible Project Costs and the estimated sources and uses of funds for the Project.

“Projected Substantial Completion Date” means August 22, 2029, as such date may be adjusted in accordance with Section 16(d) (*Reporting Requirements – Construction Reporting*).

“Public Benefits Report” has the meaning provided in Section 16(e) (*Reporting Requirements – Public Benefits Report*).

“Qualified Swap Agreement” means a contract or agreement, payable from Net Revenues on a parity with the payment of Parity Obligations and satisfying the conditions of Section 15(c)(i) (*Negative Covenants – Issuance of Parity Obligations*), intended to place Parity Obligations or the applicable investments on the interest rate, currency, cash flow or other basis desired by a Member, including any interest rate swap agreement, currency swap agreement, forward payment conversion agreement or futures contract, any contract providing for payments based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices, any contract to exchange cash flows or a series of payments, or any contract, including an interest rate floor or

cap, or an option, put or call, to hedge payment, currency, rate, spread or similar exposure, between either Member and a counterparty.

“Rate Covenant” means the requirements specified in Section 14(a)(i) (*Affirmative Covenants – Rate Covenant*).

“Rate Stabilization Fund” means (a) with respect to the City, the rate stabilization fund of the City established pursuant to Section 12 of the WIFIA City FA, and (b) with respect to the District, the rate stabilization fund of the District established pursuant to Section 12 of the WIFIA District FA.

“Refunding Parity Obligations” means Parity Obligations issued for the purpose of refunding all or any portion of the Outstanding Parity Obligations and satisfying the conditions set forth in Section 15(c)(iii) (*Negative Covenants – Issuance of Parity Obligations*).

“Related Documents” means the WIFIA Loan Documents and the Issuing Instruments.

“Requisition” has the meaning provided in Section 4(a) (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*).

“Revenues” means (a) collectively, the City Revenues and the District Revenues, (b) with respect to the City only, the City Revenues and (c) with respect to the District only, the District Revenues.

“Revenue Fund” means (a) with respect to the City, the Water Fund and (b) with respect to the District, the Sewer Fund. The Water Fund and the Sewer Fund, together, are referred to as the **“Revenue Funds.”**

“Sanctioned Country” means, at any time, a country or territory which is itself the subject or target of any Sanctions.

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country, or (c) any Person owned or controlled by any such Person or Persons.

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered, or enforced from time to time by the Government, including those administered by OFAC or the U.S. Department of State.

“Sanctions Laws” means collectively, any applicable anti-drug trafficking, anti-terrorism, anti-money laundering, anti-bribery, or anti-corruption laws or regulations, as applicable, including those contained in the Bank Secrecy Act and the Patriot Act.

“Servicer” means such entity or entities as the WIFIA Lender shall designate from time to time to perform, or assist the WIFIA Lender in performing, certain duties hereunder.

“Servicing Fee” means the Servicing Set-Up Fee and any Construction Period Servicing Fee or Operating Period Servicing Fee.

“Servicing Set-Up Fee” has the meaning set forth in Section 10(a)(i) (*Fees and Expenses – Fees*).

“Sewer Enterprise” means the whole and each and every part of the existing sanitary sewage system of the District comprising all facilities for the wastewater collection, transport, treatment, storage and disposal facilities, together with all additions, betterments, extensions and improvements thereto or any part thereof hereafter acquired or constructed, including the Project.

“Sewer Fund” means the fund established and held by the District with respect to the Sewer Enterprise for the receipt and deposit of District Revenues.

“Sewer Service” means the service made available or provided by the Sewer Enterprise.

“SIFMA Index” means The Securities Industry and Financial Markets Association Index as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, Tax-Exempt variable rate demand notes produced by Municipal Market Data, or its successor, or as otherwise designated by The Securities Industry and Financial Markets Association; provided that if such index is no longer produced by Municipal Market Data, or its successors, then “SIFMA Index” shall mean such other reasonably comparable index selected by the applicable Member.

“Sinking Fund Installment” means, with respect to any Term Parity Obligations, each amount so designated for such Term Parity Obligations in the Issuing Instrument authorizing the issuance of such Parity Obligations requiring payments by a Member from its Revenue Fund to be applied to the retirement of such Parity Obligations on and prior to the stated maturity date thereof.

“SOFR” means the Secured Overnight Financing Rate.

“State” has the meaning provided in the preamble hereto.

“Subordinated Obligations” means the Existing Subordinated Obligations and any Additional Subordinated Obligations.

“Substantial Completion” means, with respect to the Project, the stage at which the Project is able to perform the functions for which the Project is designed.

“Substantial Completion Date” means the date on which the Members (or the City on behalf of the Members) certify to the WIFIA Lender, with evidence satisfactory to the WIFIA Lender, that Substantial Completion has occurred.

“System” means (a) with respect to the City, the Water Enterprise and (b) with respect to the District, the Sewer Enterprise. The Sewer Enterprise and the Water Enterprise, together, are referred to as the **“Systems.”**

“S&P” means Standard & Poor’s Ratings Services, its successors and assigns.

“Tax-Exempt” means, with respect to interest on any obligations of a state or local government, that such interest is excluded from the gross income of the holders thereof (other than any holder who is a “substantial user” of facilities financed with such obligations or a “related person” within the meaning of Section 147(a) of the Code) for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Code.

“Technical and Rate Consultant” means a single individual or firm, or a combination of one or more individuals or firms, not related to any Obligor and considered independent with respect to each Obligor (i.e. not an employee of any Obligor or any affiliate of any Obligor) authorized to do business in and qualified to practice in the areas required to provide the services required of the Technical and Rate Consultant, that together have expertise in the technical requirements for operation and maintenance of systems similar in size and scope to the Systems and delivering the services provided by the Systems, and establishing rates and charges for governmental water or wastewater systems similar in size and scope to the Systems, selected by a Member and reasonably acceptable to the WIFIA Lender.

“Term Obligations” means Obligations that are payable on or before their specified maturity dates from Sinking Fund Installments established for that purpose and calculated to retire such Obligations on or before their specified maturity dates.

“Term Parity Obligations” means Term Obligations that are Parity Obligations.

“Total Project Costs” means (a) the costs paid or incurred or to be paid or incurred by the Obligors in connection with or incidental to the acquisition, design, construction and equipping of the Project, including legal, administrative, engineering, planning, design, insurance and financing (including costs of issuance); (b) amounts, if any, required by any WIFIA Loan Document or Issuing Instrument to be paid into any fund or account upon the incurrence of the WIFIA Loan or any other Obligation, in each case in respect of the Project; (c) payments when due (whether at the maturity of principal, the due date of interest, or upon optional or mandatory prepayment) in respect of any indebtedness of any Obligor in connection with the Project (other than the WIFIA Loan); and (d) costs of equipment and supplies and initial working capital and reserves required by the Obligors for the commencement of operation of the Project, including general administrative expenses and overhead of the Obligors.

“UEI Number” means, with respect to any Person, a Unique Entity Identifier number issued by the Federal Government (including through SAM.gov) as the unique entity identifier for such Person.

“Uncontrollable Force” means any cause beyond the control of the Obligors, including: (a) a hurricane, tornado, flood or similar occurrence, landslide, earthquake, fire or other casualty, strike or labor disturbance, freight embargo, act of a public enemy, explosion, war, blockade, terrorist act, insurrection, riot, general arrest or restraint of government and people, civil disturbance or similar occurrence, sabotage, pandemic or act of God (provided that no Obligor shall be required to settle any strike or labor disturbance in which it may be involved) or (b) the order or judgment of any federal, state or local court, administrative agency or governmental

officer or body, if it is not also the result of willful or negligent action or a lack of reasonable diligence of any Obligor and no Obligor controls the administrative agency or governmental officer or body; provided that the diligent contest in good faith of any such order or judgment shall not constitute or be construed as a willful or negligent action or a lack of reasonable diligence of an Obligor.

“Uniform Commercial Code” or **“UCC”** means the Uniform Commercial Code, as in effect from time to time in the State.

“Updated Financial Model” means the Base Case Financial Model, updated in accordance with Section 16(a) (*Reporting Requirements – Updated Financial Model*).

“Water Enterprise” means all water collection, pumping, transport, treatment, storage, and disposal facilities, including land and easements thereof, owned by the City, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the City and determined to be a part of the Water Enterprise, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

“Water Fund” means the fund or funds established and held by the City with respect to the Water Enterprise for the receipt and deposit of City Revenues.

“WIFIA” has the meaning provided in the recitals hereto.

“WIFIA Bond” means the bond issued and delivered by the Borrower in substantially the form of **Exhibit A** (*Form of WIFIA Bond*).

“WIFIA Borrower Resolution” means Resolution No. __, adopted by the board of the Borrower on [●], 2026, authorizing the execution and delivery of this Agreement, the WIFIA Bond and the WIFIA FAs, and certain related actions by the Borrower in connection with the issuance of the WIFIA Loan.

“WIFIA City FA” means that certain Financing Agreement, dated as of the date hereof, by and between the City and the Borrower with respect to the Project.

“WIFIA City Resolution” means Resolution No. __, adopted by the City Council of the City on [●], 2026, authorizing the execution and delivery of this Agreement and the City FA and certain related actions by the City in connection with the issuance of the WIFIA Loan.

“WIFIA CUSIP Number” has the meaning provided in Section 11(a)(vi)(F) (*Conditions Precedent to Effectiveness*).

“WIFIA Debt Service” means with respect to any Payment Date occurring on or after the Debt Service Payment Commencement Date, the principal portion of the Outstanding WIFIA Loan Balance and any interest payable on such Outstanding WIFIA Loan Balance (including interest accruing after the date of any filing by the Borrower of any petition in bankruptcy or the commencement of any bankruptcy, insolvency or similar proceeding with respect to the Borrower), in each case, (a) as set forth on the WIFIA Loan Amortization Schedule and (b) due

and payable on such Payment Date in accordance with the provisions of Section 8(a) (*Payment of Principal and Interest – Payment of WIFIA Debt Service*).

“**WIFIA Debt Service Account**” means the debt service account of the Borrower established and maintained pursuant to Section 14(i) (*Affirmative Covenants – WIFIA Debt Service Account*).

“**WIFIA District FA**” means that certain Financing Agreement, dated as of the date hereof, by and between the District and the Borrower with respect to the Project.

“**WIFIA District Resolution**” means Resolution No. __, adopted by the board of the District on [●], 2026, authorizing the execution and delivery of this Agreement and the WIFIA District FA and certain related actions by the District in connection with the issuance of the WIFIA Loan.

“**WIFIA FAs**” means, together, the WIFIA City FA and the WIFIA District FA.

“**WIFIA Interest Rate**” has the meaning provided in Section 6 (*Interest Rate*).

“**WIFIA Lender**” has the meaning provided in the preamble hereto.

“**WIFIA Lender’s Authorized Representative**” means the Administrator and any other Person who shall be designated as such pursuant to Section 22 (*WIFIA Lender’s Authorized Representative*).

“**WIFIA Loan**” means the secured loan made by the WIFIA Lender to the Borrower on the terms and conditions set forth herein, pursuant to the Act, in a principal amount not to exceed \$33,890,228, to be used in respect of Eligible Project Costs.

“**WIFIA Loan Amortization Schedule**” means the loan amortization schedule reflected in **SCHEDULE VI** (*WIFIA Loan Amortization Schedule*), as adjusted from time to time in accordance with Section 8(d) (*Payment of Principal and Interest – Adjustments to WIFIA Loan Amortization Schedule*).

“**WIFIA Loan Disbursement Schedule**” means the disbursement schedule set forth in **SCHEDULE VI** (*WIFIA Loan Amortization Schedule*), reflecting the anticipated disbursement of proceeds of the WIFIA Loan, as such schedule may be adjusted from time to time pursuant to Section 4(b) (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*).

“**WIFIA Loan Documents**” means this Agreement, the WIFIA Bond, the WIFIA FAs and the WIFIA Resolutions.

“**WIFIA Resolutions**” means, collectively, the WIFIA City Resolution, the WIFIA District Resolution and the WIFIA Borrower Resolution.

Section 2. Interpretation.

(a) Unless the context shall otherwise require, the words “hereto,” “herein,” “hereof” and other words of similar import refer to this Agreement as a whole.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and vice versa.

(c) Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise require.

(d) The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.”

(e) Whenever an Obligor’s knowledge is implicated in this Agreement or the phrase “to any Obligor’s knowledge” or a similar phrase is used in this Agreement, such Obligor’s knowledge or such phrase(s) shall be interpreted to mean to the best of such Obligor’s knowledge after reasonable and diligent inquiry. Unless the context shall otherwise require, references to any Person shall be deemed to include such Person’s successors and permitted assigns.

(f) Unless the context shall otherwise require, references to preambles, recitals, sections, subsections, clauses, schedules, exhibits, appendices and provisions are to the applicable preambles, recitals, sections, subsections, clauses, schedules, exhibits, appendices and provisions of this Agreement.

(g) The schedules and exhibits to this Agreement, and the appendices and schedules to such exhibits, are hereby incorporated by reference and made an integral part of this Agreement.

(h) The headings or titles of this Agreement and its sections, schedules or exhibits, as well as any table of contents, are for convenience of reference only and shall not define or limit its provisions.

(i) Unless the context shall otherwise require, all references to any resolution, contract, agreement, lease or other document shall be deemed to include any amendments or supplements to, or modifications or restatements or replacements of, such documents that are approved from time to time in accordance with the terms thereof and hereof.

(j) Every request, order, demand, application, appointment, notice, statement, certificate, consent or similar communication or action hereunder by any party shall, unless otherwise specifically provided, be delivered in writing in accordance with Section 31 (*Notices*) and signed by a duly authorized representative of such party.

(k) References to “disbursements of WIFIA Loan proceeds” or similar phrasing shall be construed as meaning the same thing as “paying the purchase price of the WIFIA Bond.”

(l) Whenever this Agreement requires a change in principal amount, interest rate or amortization schedule of the WIFIA Loan, it is intended that such change be reflected in the WIFIA Bond. Whenever there is a prepayment of the WIFIA Loan, it is intended that such prepayment be implemented through a prepayment of the WIFIA Bond.

(m) Whenever this Agreement sets forth a time period for a number of days by when a deliverable must be provided or an action must be taken, such time period shall be computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months.

ARTICLE II THE WIFIA LOAN

Section 3. WIFIA Loan Amount. The principal amount of the WIFIA Loan shall not exceed \$33,890,228. WIFIA Loan proceeds available to be drawn shall be disbursed from time to time in accordance with Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) and Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*).

Section 4. Disbursement Conditions; Quarterly Approval of Eligible Project Costs.

(a) WIFIA Loan proceeds shall be disbursed solely in respect of Eligible Project Costs paid or incurred and approved for payment by or on behalf of an Obligor in connection with the Project, including for the purpose of paying or redeeming, in whole or in part, amounts owed by the Borrower under an Interim Financing the proceeds of which were applied to pay Eligible Project Costs. Each disbursement of the WIFIA Loan shall be made pursuant to a requisition and certification (a “**Requisition**”) in the form set forth in **Appendix 1** (*Form of Requisition*) to **Exhibit B-1** (*Requisition Procedures and Form of Requisition*), along with all documentation and other information required thereby, submitted by the Obligors (or the City on behalf of the Obligors) to, and approved by, the WIFIA Lender, all in accordance with the procedures of **Exhibit B-1** (*Requisition Procedures and Form of Requisition*) and subject to the requirements of this Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) and the conditions set forth in Section 11(b) (*Conditions Precedent – Conditions Precedent to Disbursements*); provided that no disbursements of WIFIA Loan proceeds shall be made after the Final Disbursement Date.

(b) Subject to this Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*), any scheduled disbursement (as reflected in the WIFIA Loan Disbursement Schedule) that remains undrawn as of its scheduled date shall automatically be available for the next scheduled disbursement date, up to the Final Disbursement Date, with the effect of automatically updating the WIFIA Loan Disbursement Schedule (and the WIFIA Loan Amortization Schedule) without need for the WIFIA Lender's approval. The Borrower may also propose adjustments to the WIFIA Loan Disbursement Schedule by submitting a revised version thereof to the WIFIA Lender no later than thirty (30) days prior to the proposed effective date of such adjustment, together with a detailed explanation of the reasons for such revisions. Such revised WIFIA Loan Disbursement Schedule shall become effective upon the WIFIA Lender's approval thereof, which approval shall be deemed granted if the WIFIA Lender has not objected within thirty (30) days from receipt of the revised schedule, and which approval shall have the effect of updating the WIFIA Loan Amortization Schedule to reflect the updated WIFIA Loan Disbursement Schedule.

Section 5. Term. The term of the WIFIA Loan shall extend from the Effective Date to the Final Maturity Date or to such earlier date as all amounts due or to become due to the WIFIA Lender hereunder have been irrevocably paid in full in immediately available funds.

Section 6. Interest Rate. The interest rate with respect to the Outstanding WIFIA Loan Balance (the “**WIFIA Interest Rate**”) shall be [●] and [●] hundredths percent ([●]%) per annum. Interest shall (a) accrue on the WIFIA Loan commencing on the date of the first disbursement of the WIFIA Loan, (b) be payable commencing on the Debt Service Payment Commencement Date and (c) be computed on the Outstanding WIFIA Loan Balance on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months; provided that, upon the occurrence of an Event of Default, the Borrower shall pay interest on the Outstanding WIFIA Loan Balance at the Default Rate, (i) in the case of any Payment Default, from (and including) its due date to (but excluding) the date of actual payment and (ii) in the case of any other Event of Default, from (and including) the date of such occurrence to (but excluding) the earlier of the date on which (A) such Event of Default has been cured or waived (if applicable) in accordance with the terms of this Agreement and (B) the Outstanding WIFIA Loan Balance, and all fees and expenses with respect thereto, has been irrevocably paid in full in immediately available funds.

Section 7. Security and Priority; Flows of Funds.

(a) Pursuant to the WIFIA FAs, as security for the Authority Bond Payments, and concurrently with the issuance and delivery of this Agreement, the Members have pledged and assigned to the Borrower for its benefit, Liens on the Net Revenues. The Liens on the Net Revenues to secure the Authority Bond Payments shall be (i) *pari passu* in right of payment and right of security with the Liens on the Net Revenues in favor of all other Parity Obligations and (ii) senior in right of payment and right of security to the Liens on the Net Revenues in favor of the Subordinated Obligations. The obligations of the Members to make their respective Authority Bond Payments constitute Parity Obligations.

(b) Except for Permitted Liens, the Net Revenues will be free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto that is of equal rank with or senior to the pledges of the Members created under the WIFIA FAs for the benefit of the Borrower; provided that no Lien on the Net Revenues created pursuant to any Issuing Instrument shall be senior to the Lien on the Net Revenues created under the WIFIA FAs for the benefit of the Borrower. All organizational, regulatory or other necessary action on the part of the Obligors with respect to the foregoing has been duly and validly taken.

(c) As security for the WIFIA Loan, the Borrower hereby unconditionally pledges and assigns to the WIFIA Lender and grants to the WIFIA Lender Liens for its benefit on (i) all of the Authority Revenues, (ii) all of the right, title and interest (but none of the obligations) of the Borrower in the WIFIA FAs and (iii) the WIFIA Debt Service Account. The Members hereby consent to such pledge, assignment and grant. Notwithstanding anything in this Agreement or any other WIFIA Loan Document to the contrary, the Borrower does not and shall not assign, and the WIFIA Lender does not and shall not assume, any obligation, duty or liability of the Borrower under either WIFIA FA. The WIFIA Loan is and shall be secured by the Liens on the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs and the WIFIA Debt Service Account. The Authority Revenues, the right, title and interest of the Borrower in the

WIFIA FAs and the WIFIA Debt Service Account shall be free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto other than the Liens with respect to the WIFIA Loan.

(d) The Members shall not use any Revenues to make any payments or satisfy any obligations other than in accordance with the provisions of this Section 7 (*Security and Priority; Flows of Funds*) and the Related Documents and shall not apply any portion of the Revenues in contravention of this Agreement or the other Related Documents.

(e) The Borrower shall not use any Authority Revenues, including any amounts on deposit in the WIFIA Debt Service Account, to make any payments or satisfy any obligations other than the payment of WIFIA Debt Service and other amounts payable to the WIFIA Lender hereunder and under the WIFIA Bond.

(f) Each Member's Revenues shall, immediately upon receipt thereof, be deposited by such Member into its respective Revenue Fund. Amounts deposited in the Revenue Funds shall be applied in the order of priority described in, and in accordance with, the Flows of Funds.

Section 8. Payment of Principal and Interest.

(a) Payment of WIFIA Debt Service.

(i) Pursuant to the WIFIA FAs, not later than each Authority Bond Payment Date, each Member shall, from moneys in its respective Revenue Fund, transfer to the WIFIA Debt Service Account the Authority Bond Payment due and payable on such Authority Bond Payment Date. All Authority Bond Payments shall be paid directly by the Members to the WIFIA Debt Service Account for the benefit of the WIFIA Lender. All Authority Bond Payments and any other amounts deposited into the WIFIA Debt Service Account shall be held by the Borrower in trust for the benefit of the WIFIA Lender until the immediately succeeding Payment Date, whereupon such money shall be applied to the payment of WIFIA Debt Service. The obligations of each Member to make its respective Authority Bond Payments shall survive any withdrawal by either Member as a member of the Borrower.

(ii) No WIFIA Debt Service shall be due or payable prior to the Debt Service Payment Commencement Date. On each Payment Date occurring on or after the Debt Service Payment Commencement Date, the Borrower shall pay WIFIA Debt Service by making (A) semi-annual payments of interest on each Interest Payment Date, (B) annual payments of principal on each Principal Payment Date, and (C) payments of any other amounts on each other date on which payment thereof is required to be made hereunder (including the Final Maturity Date and any date on which payment is due by reason of the acceleration of the maturity of the WIFIA Loan or otherwise); provided that if any such date is not a Business Day, payment shall be made on the next Business Day following such date. Payments of WIFIA Debt Service shall be made in the amounts and on the Payment Dates as set forth in the WIFIA Loan Amortization Schedule, as the same may be revised pursuant to Section 8(d) (*Payment of Principal and Interest – Adjustments to Loan*

Amortization Schedule), and shall be calculated by the WIFIA Lender in such manner that the Outstanding WIFIA Loan Balance is reduced to \$0 on the Final Maturity Date.

(iii) Notwithstanding anything herein to the contrary, the Outstanding WIFIA Loan Balance and any accrued interest thereon shall be due and payable in full on the Final Maturity Date (or on any earlier date on which the maturity of the WIFIA Loan and WIFIA Bond has been accelerated pursuant to the terms hereof).

(b) WIFIA Bond. As evidence of the Borrower's obligation to repay the WIFIA Loan, the Borrower shall issue and deliver to the WIFIA Lender, on or prior to the Effective Date, the WIFIA Bond substantially in the form of **Exhibit A** (*Form of WIFIA Bond*), having a maximum principal amount of \$33,890,228, bearing interest at the WIFIA Interest Rate and having principal and interest payable on the same dates set forth herein. Any payment in respect of the WIFIA Bond shall be treated as a payment in respect of the WIFIA Loan and any prepayment of principal in respect of the WIFIA Loan shall be treated as a redemption in respect of the WIFIA Bond.

(c) Manner of Payment. Payments under this Agreement (and the WIFIA Bond, which payments shall not be duplicative) shall be made by wire transfer on or before each Payment Date in Dollars and in immediately available funds (without counterclaim, offset or deduction) in accordance with the payment instructions provided by the WIFIA Lender prior to the relevant payment, as may be modified in writing from time to time by the WIFIA Lender; provided that the failure to provide updated payment instructions shall not affect in any manner the Borrower's obligations hereunder or under any other WIFIA Loan Document. The Borrower shall make any such payment with funds then on deposit in the WIFIA Debt Service Account in accordance with the terms of this Agreement.

(d) Adjustments to WIFIA Loan Amortization Schedule.

(i) The Outstanding WIFIA Loan Balance will be (A) increased on each occasion on which the WIFIA Lender disburses WIFIA Loan proceeds hereunder, by the amount of such disbursement of loan proceeds; and (B) decreased upon each payment or prepayment of the Outstanding WIFIA Loan Balance, by the amount of principal so paid. The WIFIA Lender may in its discretion at any time and from time to time, or when so requested by an Obligor, advise such Obligor by written notice of the amount of the Outstanding WIFIA Loan Balance as of the date of such notice. The WIFIA Lender's determination of such amount in any such notice shall be deemed conclusive absent manifest error. WIFIA Loan proceeds borrowed and repaid may not be reborrowed.

(ii) The WIFIA Lender is hereby authorized to modify the WIFIA Loan Amortization Schedule, in accordance with the principles set forth below in this Section 8(d) (*Payment of Principal and Interest – Adjustments to WIFIA Loan Amortization Schedule*), to reflect (A) any change to the Outstanding WIFIA Loan Balance, (B) any change to the date and amount of any principal or interest due and payable or to become due and payable by the Borrower under this Agreement, and (C) such other information as the WIFIA Lender may determine is necessary for administering the WIFIA Loan and this Agreement. Any calculations described above shall be rounded up to the

nearest whole cent. Any adjustments or revisions to the WIFIA Loan Amortization Schedule as a result of changes in the Outstanding WIFIA Loan Balance shall be applied to reduce future payments due on the WIFIA Bond pro rata across all principal payments remaining. Absent manifest error, the WIFIA Lender's determination of such matters as set forth in **SCHEDULE VI** (*WIFIA Loan Amortization Schedule*) shall be conclusive evidence thereof; provided that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Obligors' obligations hereunder or under any other WIFIA Loan Document. The WIFIA Lender shall provide the Obligors with a copy of **SCHEDULE VI** (*WIFIA Loan Amortization Schedule*) as revised pursuant to this Section 8(d)(ii) (*Payment of Principal and Interest – Adjustments to WIFIA Loan Amortization Schedule*), but no failure to provide or delay in providing the Obligors with such copy shall affect any of the obligations of the Obligors under this Agreement or the other WIFIA Loan Documents.

(iii) Any Obligor shall have the right to propose adjustments to the WIFIA Loan Amortization Schedule exercisable once on or prior to the date that is one hundred twenty (120) days preceding the first Principal Payment Date, such adjustments to be submitted by such Obligor to the WIFIA Lender in the form of an updated WIFIA Loan Amortization Schedule, together with (A) an explanation setting out the reason for such proposed adjustments (such as material unforeseen changes to the Project schedule, costs, or the Obligors' funding strategy) and (B) an updated rating affirmation or current public rating from a Nationally Recognized Rating Agency on the WIFIA Loan (or other Parity Obligations, as the WIFIA Lender may agree) demonstrating the Obligors' continued creditworthiness; provided that (x) the form of and any adjustment to the WIFIA Loan Amortization Schedule, together with the Obligors' explanation and the rating affirmation, shall be acceptable to the WIFIA Lender, (y) the weighted average life of the WIFIA Loan shall not exceed forty two (42) years measured as of the initial disbursement date of the WIFIA Loan and (z) the WIFIA Loan Amortization Schedule shall comply with all applicable requirements under this Agreement and law. Such revised WIFIA Loan Amortization Schedule shall become effective upon the approval by the WIFIA Lender in its sole discretion.

Section 9. Prepayment.

(a) Optional Prepayments. The Borrower may prepay the WIFIA Loan, without penalty or premium, (i) in full on any date on or after the Final Disbursement Date or (ii) in part on any Payment Date on or after the Final Disbursement Date (and, if in part, the amounts thereof to be prepaid shall be determined by the Borrower; provided, that any such prepayment shall be in principal amounts of \$1,000,000 or any integral multiple of \$1.00 in excess thereof), in each case from time to time but not more than once annually in accordance with 33 U.S.C. § 3908(c)(4)(A). The Borrower may make such prepayment by paying to the WIFIA Lender such principal amount of the WIFIA Loan to be prepaid, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment and all fees and expenses then due and payable to the WIFIA Lender. Each prepayment of the WIFIA Loan pursuant to this Section 9(a) (*Prepayment – Optional Prepayments*) shall be made on such date of payment and in such principal amount as shall be specified by the Borrower in a written notice delivered to the WIFIA Lender not less than ten (10) days or more than thirty (30) days prior to the date set for

prepayment, unless otherwise agreed by the WIFIA Lender. At any time between delivery of such written notice and the applicable optional prepayment, the Borrower may, without penalty or premium, rescind its announced optional prepayment by further written notice to the WIFIA Lender. Anything in this Section 9(a) (*Prepayment – Optional Prepayments*) to the contrary notwithstanding, the failure by the Borrower to make any optional prepayment shall not constitute a breach or default under this Agreement.

(b) Borrower's Certificate. Each prepayment pursuant to this Section 9 (*Prepayment*) shall be accompanied by a certificate signed by the Borrower's Authorized Representative identifying the provision of this Agreement pursuant to which such prepayment is being made and containing a calculation in reasonable detail of the amount of such prepayment.

(c) General Prepayment Instructions. Upon the WIFIA Lender's receipt of confirmation that payment in full in immediately available funds of the entire Outstanding WIFIA Loan Balance and any unpaid interest, fees and expenses with respect thereto has occurred as a result of a prepayment, the WIFIA Lender shall surrender the WIFIA Bond to the Borrower or its representative at the principal office of the WIFIA Lender. If the Borrower prepays only part of the unpaid balance of principal of the WIFIA Loan, the WIFIA Lender may make a notation on the WIFIA Loan Amortization Schedule indicating the amount of principal of and interest on the WIFIA Loan then being prepaid. Absent manifest error, the WIFIA Lender's determination of such matters as set forth on an updated WIFIA Loan Amortization Schedule shall be conclusive evidence thereof; provided that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner any Obligor's obligations hereunder or under any other WIFIA Loan Document. All partial prepayments of principal shall be applied to reduce future payments due on the WIFIA Loan pro rata across all principal payments remaining. If such funds have not been so paid on the prepayment date, such principal amount of the WIFIA Loan shall continue to bear interest until payment thereof at the rate provided for in Section 6 (*Interest Rate*).

Section 10. Fees and Expenses.

(a) Fees. The Obligors shall, on a joint and several basis, pay to the WIFIA Lender:

(i) a servicing set-up fee equal to \$13,080 (the “**Servicing Set-Up Fee**”), which shall be due and payable within thirty (30) days after receipt by the Borrower of an invoice from the WIFIA Lender with respect thereto (or, if earlier, the Initial Disbursement Date);

(ii) an annual construction period servicing fee equal to \$13,080 (the “**Construction Period Servicing Fee**”), which shall accrue on the first Business Day of the then-current Federal Fiscal Year and shall be due and payable on or prior to each November 15 during the Construction Period (including the Federal Fiscal Year during which the Substantial Completion Date occurs); provided that the initial Construction Period Servicing Fee shall be due and payable within thirty (30) days after receipt by the

Borrower of an invoice from the WIFIA Lender with respect thereto (or, if earlier, the Initial Disbursement Date), in a pro-rated amount equal to \$[●];¹ and

(iii) an annual operating period servicing fee equal to \$9,810 (the “**Operating Period Servicing Fee**”), which shall accrue on the first Business Day of the then-current Federal Fiscal Year and shall be due and payable on or prior to each November 15, beginning with the first November 15 following the end of the Federal Fiscal Year during which the Substantial Completion Date occurs, until (and including) the Final Maturity Date; provided that the Operating Period Servicing Fee due and payable with respect to the Federal Fiscal Year during which the Final Maturity Date occurs shall be equal to the pro-rata monthly portion of the then applicable Operating Period Servicing Fee multiplied by the number of partial or whole months remaining between October 1 and the Final Maturity Date.

(b) The amount of each Construction Period Servicing Fee (other than the initial Construction Period Servicing Fee) and each Operating Period Servicing Fee shall be adjusted in proportion to the percentage change in CPI for the calendar year immediately preceding the calendar year during which such fee is due. The WIFIA Lender shall notify the Borrower of the amount of each such fee at least thirty (30) days before payment is due, which determination shall be conclusive absent manifest error.

(c) Expenses. Each Obligor agrees, whether or not the transactions hereby contemplated shall be consummated, to reimburse on a joint and several basis the WIFIA Lender on demand from time to time, within thirty (30) days after receipt by the Borrower of an invoice from the WIFIA Lender, for any and all documented fees, costs, charges, and expenses incurred by it (including the documented fees, costs, and expenses of its legal counsel, financial advisors, auditors and other consultants and advisors) in connection with the negotiation, preparation, execution, delivery, and performance of this Agreement and the other WIFIA Loan Documents and the transactions hereby and thereby contemplated, including documented attorneys’, and engineers’ fees and professional costs, including all such documented fees, costs, and expenses incurred as a result of or in connection with: (i) the enforcement of or attempt to enforce, or the protection or preservation of any right or claim under, the Liens on the Authority Revenues, the Net Revenues or the WIFIA Debt Service Account or any provision of this Agreement or any of the other WIFIA Loan Documents or the rights of the WIFIA Lender thereunder; (ii) any amendment, modification, waiver, or consent with respect to this Agreement or any other Related Document; and (iii) any work-out, restructuring, or similar arrangement of the obligations of any Obligor under this Agreement or the other WIFIA Loan Documents, including during the pendency of any Event of Default.

(d) The obligations of the Obligors under this Section 10 (*Fees and Expenses*) shall survive the payment or prepayment in full or transfer of the WIFIA Loan, the enforcement of any provision of this Agreement or the other WIFIA Loan Documents, any such amendments, waivers or consents, any Event of Default, and any such workout, restructuring, or similar arrangement.

¹ **Note to draft:** To be determined once the closing date is determined.

ARTICLE III CONDITIONS PRECEDENT

Section 11. Conditions Precedent.

(a) Conditions Precedent to Effectiveness. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not become effective until each of the following conditions precedent has been satisfied or waived in writing by the WIFIA Lender in its sole discretion:

(i) Each Obligor shall have duly executed and delivered to the WIFIA Lender this Agreement and each other WIFIA Loan Document to which it is a party, each in form and substance satisfactory to the WIFIA Lender.

(ii) Each Obligor shall have delivered to the WIFIA Lender complete and fully executed copies of each Related Document (other than the WIFIA Loan Documents) and each Existing Construction Contract to which it is a party, together with any amendments, supplements, waivers or modifications thereto, that has been entered into on or prior to the Effective Date, along with a certification in the Closing Certificate that each such document is complete, fully executed and in full force and effect, and that all conditions contained in such documents that are necessary to the closing of the WIFIA transactions contemplated hereby have been fulfilled.

(iii) Each Obligor shall have delivered to the WIFIA Lender a copy of its Organizational Documents, as in effect on the Effective Date, along with a certification in the Closing Certificate that such Organizational Documents are in full force and effect.

(iv) Each Obligor shall have delivered to the WIFIA Lender all instruments and documents (including any resolutions, ordinances, and supplements) other than the Related Documents as are necessary for such Obligor to execute and deliver, and to perform its obligations under, the WIFIA Loan Documents to which it is a party and to consummate and implement the transactions contemplated by the WIFIA Loan Documents to which it is a party.

(v) Counsel to the Obligors shall have rendered to the WIFIA Lender legal opinions satisfactory to the WIFIA Lender in its sole discretion (including those opinions set forth on **Exhibit C-1** (*Opinions Required from Counsel to Obligors*)) and bond counsel to the Obligors shall have rendered to the WIFIA Lender legal opinions satisfactory to the WIFIA Lender in its sole discretion (including those opinions set forth on **Exhibit C-2** (*Opinions Required from Bond Counsel*)).

(vi) The Obligors shall have delivered to the WIFIA Lender a certificate, signed by each Authorized Representative, substantially in the form attached hereto as **Exhibit D** (*Form of Closing Certificate*) (the “**Closing Certificate**”), designating the Borrower’s Authorized Representative, the City’s Authorized Representative or the District’s Authorized Representative, as applicable, confirming such persons’ positions and incumbencies, and certifying as to the satisfaction of the following conditions

precedent (and, if requested by the WIFIA Lender, have provided evidence satisfactory to the WIFIA Lender of such satisfaction):

(A) the aggregate of all funds secured and appropriated, or expected to be secured and appropriated for the development and construction of the Project as set forth in the Base Case Financial Model and in the Project Budget are reasonably expected to be sufficient to carry out the Project, pay all Total Project Costs anticipated for the Project and achieve Substantial Completion by the Projected Substantial Completion Date;

(B) the Obligors (or the City on behalf of the Obligors) have obtained all Governmental Approvals required to have been obtained as of the Effective Date (1) in connection with the Project and (2) to execute and deliver, and perform their obligations under the WIFIA Loan Documents, and all such Governmental Approvals obtained as of the Effective Date are final, non-appealable, and in full force and effect (and are not subject to any notice of violation, breach, or revocation);

(C) as of the Effective Date, (1) the maximum principal amount of the WIFIA Loan, together with the amount of any other credit assistance provided under the Act to the Borrower, does not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs; (2) the aggregate amount of Eligible Project Costs previously incurred prior to the Effective Date does not exceed fifty-one percent (51%) of Eligible Project Costs; and (3) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan, does not exceed eighty percent (80%) of Total Project Costs;

(D) each Obligor is in compliance with NEPA and any applicable federal, state or local environmental review and approval requirements with respect to the Project;

(E) (1) the Borrower has obtained a Federal Employer Identification Number (as evidenced by the delivery of a copy of the Borrower's W-9), (2) each Obligor has obtained a UEI Number and (3) each Obligor has registered with, and obtained confirmation of active SAM registration status;

(F) the Borrower has obtained a CUSIP Number (the "**WIFIA CUSIP Number**");

(G) the representations and warranties of each Obligor set forth in this Agreement and in each other Related Document to which such Obligor is a party are true and correct on and as of the date hereof, except to the extent that such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct as of such earlier date; and

(H) no Material Adverse Effect, or any event or condition that could reasonably be expected to have a Material Adverse Effect, has occurred or arisen since the date of the Application.

(vii) The Obligors shall have provided evidence to the WIFIA Lender's satisfaction, prior to the Effective Date, of the assignment by at least one (1) Nationally Recognized Rating Agency of a public Investment Grade Rating on the WIFIA Loan and the Parity Obligations then Outstanding, along with a certification in the Closing Certificate that no such rating has been reduced, withdrawn or suspended as of the Effective Date.

(viii) The Members (or the City on behalf of the Members) shall have delivered to the WIFIA Lender a Base Case Financial Model in form and substance acceptable to the WIFIA Lender, along with a certification in the Closing Certificate that such Base Case Financial Model (A) demonstrates that projected Net Revenues and Authority Revenues are each sufficient to meet the WIFIA Loan Amortization Schedule, (B) demonstrates compliance with the Rate Covenant for each Fiscal Year through the Final Maturity Date, (C) reflects principal amortization and interest payment schedules acceptable to the WIFIA Lender and (D) demonstrates that the Members (or the City on behalf of the Members) have developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project over the useful life of the Project.

(ix) The Obligors (or the City on behalf of the Members) shall have delivered to the WIFIA Lender the Public Benefits Report.

(x) Each Obligor shall have paid in full all invoices delivered by the WIFIA Lender to such Obligor as of the Effective Date and the fees and expenses of the WIFIA Lender's counsel and financial advisors and any auditors or other consultants retained by the WIFIA Lender for the purposes hereof.

(xi) The Obligors shall have provided evidence to the WIFIA Lender's satisfaction of the (A) establishment by the Borrower of the WIFIA Debt Service Account, and (B) the pledge of such account for the exclusive benefit of the WIFIA Lender.

(b) Conditions Precedent to Disbursements. Notwithstanding anything in this Agreement to the contrary, the WIFIA Lender shall have no obligation to make any disbursement of the WIFIA Loan to the Borrower (including the initial disbursement hereunder) until each of the following conditions precedent has been satisfied or waived in writing by the WIFIA Lender in its sole discretion:

(i) The Obligors (or the City on behalf of the Obligors) shall have delivered to the WIFIA Lender a Requisition that complies with the provisions of Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*), **Exhibit B-1** (*Requisition Procedures and Form of Requisition*) and **Appendix 1** (*Form of Requisition*) to **Exhibit B-1** (*Requisition Procedures and Form of Requisition*), including satisfactory Eligible Project Costs Documentation relating to such Requisition. Each Authorized Representative shall also certify in such Requisition that:

(A) at the time of, and immediately after giving effect to, any Disbursement of WIFIA Loan proceeds then currently requested, (1) no Default or Event of Default and no event of default under any other Related Document has occurred and is continuing and (2) no event that, with the giving of notice or the

passage of time or both, would constitute an event of default under any other Related Document has occurred and is continuing;

(B) no Material Adverse Effect, or any event or condition that could reasonably be expected to result in a Material Adverse Effect, has occurred since the Effective Date;

(C) the aggregate amount of all disbursements does not exceed (1) the maximum principal amount of the WIFIA Loan or (2) the amount of Eligible Project Costs paid or incurred by the Obligor;

(D) the Eligible Project Costs for which reimbursement or payment is being requested has not been reimbursed or paid by any previous disbursement of (1) WIFIA Loan proceeds or (2) any other source of funding for the Project as identified in the Project Budget;

(E) (1) each Obligor, and, to the knowledge of each of the Obligors, each of each Obligor's contractors and subcontractors at all tiers with respect to the Project, has complied with all applicable laws, rules, regulations and requirements, including 40 U.S.C. §§ 3141-3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto), 33 U.S.C. § 3914 (relating to American iron and steel products), 2 C.F.R. § 180.320 and 2 C.F.R. Part 1532 (relating to non-debarment), 31 U.S.C. § 1352 and 40 C.F.R. § 34.100 (relating to non-lobbying), and any applicable Sanctions Laws; and (2) supporting documentation, such as certified payroll records and certifications for all iron and steel products used for the Project, are being maintained and are available for review upon request by the WIFIA Lender;

(F) the representations and warranties of each Obligor set forth in this Agreement and in each other Related Document are true and correct as of each date on which any disbursement of the WIFIA Loan is made, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties are true and correct as of such earlier date);

(G) the Borrower represents that it has delivered all required deliverables under and in compliance with the requirements of Section 16 (*Reporting Requirements*), except as has been otherwise agreed by the WIFIA Lender; and

(H) the amount being requested for disbursement is with respect to Eligible Project Costs for which all or a portion of the Eligible Project Costs Documentation was previously submitted to and approved by the WIFIA Lender in accordance with **Exhibit B-1** (*Requisition Procedures and Form of Requisition*) or the Borrower has set out in the Requisition (or attached separately to the Requisition) a summary of any Eligible Project Costs that have not otherwise been

previously submitted to the WIFIA Lender for approval, together with supporting Eligible Project Costs Documentation.

(ii) [Reserved.]

(iii) To the extent not previously delivered to the WIFIA Lender, the Obligor (or the City on behalf of the Obligor) shall have delivered to the WIFIA Lender copies of (1) any Related Document (including any amendment, waiver, modification or supplement thereto) entered into after the Effective Date, along with a certification in the Requisition that each such document is complete, fully executed and in full force and effect and (2) all Construction Contracts requested by the WIFIA Lender, including, in each case, any amendment, modification or supplement thereto, entered into after the Effective Date.

(iv) The Obligor shall have paid in full (A) any outstanding Servicing Fees due and payable under Section 10 (*Fees and Expenses*) and (B) all invoices delivered by the WIFIA Lender to any Obligor, for the fees and expenses of the WIFIA Lender's counsel and financial advisors and any auditors or other consultants retained by the WIFIA Lender for the purposes hereof.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

Section 12. Representations and Warranties of Obligor. Each Obligor hereby represents and warrants that, as of the Effective Date and, as to each of the representations and warranties below other than those (x) contained in Section 12(b) (*Representations and Warranties of Obligor – Officers' Authorization*), the first sentence of Section 12(f) (*Representations and Warranties of Obligor – Litigation*), Section 12(l) (*Representations and Warranties of Obligor – Credit Ratings*) or (y) which expressly relate only to another Obligor, as of each date on which any disbursement of the WIFIA Loan is requested or made:

(a) Organization; Power and Authority. The City is a general city and municipal corporation duly organized and validly existing under its Organizational Documents and the laws of the State, has full legal right, power and authority to do business in the State and to enter into the Related Documents then in existence to which it is a party, to execute and deliver this Agreement, and to carry out and consummate all transactions contemplated hereby and thereby and has duly authorized the execution, delivery and performance of this Agreement and the other Related Documents to which it is a party. The District is a county sanitation district and subsidiary district of the City established under the laws of the State, duly organized and validly existing under its Organizational Documents and the laws of the State, has full legal right, power and authority to do business in the State and to enter into the Related Documents then in existence to which it is a party, to execute and deliver this Agreement, and to carry out and consummate all transactions contemplated hereby and thereby and has duly authorized the execution, delivery and performance of this Agreement and the other Related Documents to which it is a party. The Borrower is a joint exercise of powers authority duly organized and validly existing under its Organizational Documents and the laws of the State, has full legal right, power and authority to do business in the State and to enter into the Related Documents then in existence to which it is a party, to execute and deliver this Agreement and the WIFIA Bond, and to carry out and

consummate all transactions contemplated hereby and thereby and has duly authorized the execution, delivery and performance of this Agreement, the WIFIA Bond, and the other Related Documents to which it is a party. Other than such Organizational Documents and the WIFIA Resolutions, there are no additional instruments for each Obligor to execute and deliver, or to perform its obligations under, the WIFIA Loan Documents to which it is a party and to consummate and implement the transactions contemplated by the WIFIA Loan Documents.

(b) Officers' Authorization. As of the Effective Date, the officers of each Obligor executing (or that previously executed) the Related Documents, and any certifications or instruments related thereto, to which such Obligor is a party are (or were at the time of such execution) duly and properly in office and fully authorized to execute the same.

(c) Due Execution; Enforceability. Each of the Related Documents in effect as of any date on which this representation and warranty is made, and to which any Obligor is a party has been duly authorized, executed and delivered by such Obligor and constitutes the legal, valid and binding agreement of such Obligor enforceable against such Obligor in accordance with its terms, except as such enforceability (i) may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and (ii) is subject to general principles of equity (regardless of whether enforceability is considered in equity or at law).

(d) Non-Contravention. The execution and delivery of the Related Documents to which any Obligor is a party, the consummation of the transactions contemplated by such Related Documents, and the fulfillment of or compliance with the terms and conditions of such Related Documents, will not (i) conflict with such Obligor's Organizational Documents, (ii) conflict in any material respect with, or constitute a violation, breach or default (whether immediately or after notice or the passage of time or both) by such Obligor of or under, any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which such Obligor is a party or by which it or its properties or assets are otherwise subject or bound, (iii) conflict in any material respect with, or constitute a violation, breach or default (whether immediately or after notice or the passage of time or both) by such Obligor of or under any applicable law, administrative rule or regulation, any applicable court or administrative decree or order, or (iv) result in the creation or imposition of any Lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of such Obligor, other than Permitted Liens.

(e) Consents and Approvals. No consent or approval of any trustee, holder of any indebtedness of any Obligor or any other Person, and no consent, permission, authorization, order or license of, or filing or registration with, any Governmental Authority is necessary in connection with (i) the execution, delivery and performance by such Obligor of the Related Documents to which it is a party, except as have been obtained or made and as are in full force and effect, or (ii) (A) the consummation of any transaction contemplated by such Related Documents or (B) the fulfillment of or compliance by such Obligor with the terms and conditions of such Related Documents, except as have been obtained or made and as are in full force and effect or, if not required to be obtained as of the date this representation and warranty is made, as can reasonably be expected to be obtained or made in the ordinary course on commercially reasonable terms and conditions when needed.

(f) Litigation. There is no action, suit, proceeding or, to the knowledge of any Obligor, any inquiry or investigation, in any case before or by any court or other Governmental Authority pending or, to the knowledge of such Obligor, threatened against or affecting either System (including the Project) or the ability of such Obligor to execute, deliver and perform its obligations under the Related Documents to which it is a party or that in any case could reasonably be expected to result in a Material Adverse Effect. As of the Effective Date and as of each other date on which the representations and warranties herein are made or confirmed, there is no action, suit, proceeding or, to the knowledge of any Obligor, any inquiry or investigation before or by any court or other Governmental Authority pending, or to the knowledge of such Obligor, threatened against or affecting the System (including the Project), such Obligor or the assets, properties or operations of such Obligor, that in any case could reasonably be expected to result in a Material Adverse Effect.

(g) Security Interests.

(i) (A) The WIFIA FAs and Section 5451 of the California Government Code establish, and (B) the Members have taken all necessary action to pledge, assign, and grant, in each case in favor of the Borrower, legal, valid, binding and enforceable Liens on the Net Revenues purported to be created, pledged, assigned, and granted pursuant to and in accordance with the WIFIA FAs, irrespective of whether any Person has notice of the pledge and without the need for any physical delivery, recordation, filing, or further act, and the security interests created in the Net Revenues have been duly perfected under applicable State law. Such Liens are in full force and effect and are (1) *pari passu* in right of payment and right of security with the Liens on the Net Revenues in favor of all other Parity Obligations and (2) senior in right of payment and right of security to the Liens on the Net Revenues in favor of the Subordinated Obligations.

(ii) Neither Member is in breach of any covenant set forth in Section 14(b)(i) (*Affirmative Covenants – Securing Liens*) or in the WIFIA Loan Documents with respect to the matters described in Section 14(b)(i) (*Affirmative Covenants – Securing Liens*). As of the Effective Date and as of each other date this representation and warranty is made, (A) all documents and instruments have been recorded or filed for record in such manner and in such places as are required and all other action as is necessary or desirable has been taken to establish a legal, valid, binding, and enforceable and perfected Lien on the Net Revenues for the benefit of the Borrower, and (B) all taxes and filing fees that are due and payable in connection with the execution, delivery or recordation of any WIFIA Loan Document or any instruments, certificates or financing statements in connection with the foregoing, have been paid. Neither the attachment, perfection, validity, enforceability or priority of the security interest in the Net Revenues granted pursuant to the WIFIA FAs is governed by Article 9 of the UCC.

(iii) (A) This Agreement and Section 5451 of the California Government Code establish, and (B) the Borrower has taken all necessary action to pledge, assign, and grant, in each case in favor of the WIFIA Lender, legal, valid, binding and enforceable Liens on (1) all of the Authority Revenues, (2) all of the right, title and interest (but none of the obligations) of the Borrower in the WIFIA FAs and (3) the WIFIA Debt Service Account, in each case purported to be created, pledged, assigned, and granted pursuant to

and in accordance with this Agreement, irrespective of whether any Person has notice of the pledge and without the need for any physical delivery, recordation, filing, or further act, and the security interests created in the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs and the WIFIA Debt Service Account have been duly perfected under applicable State law. Such Liens are in full force and effect and are the only Liens in respect of the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs and the WIFIA Debt Service Account.

(iv) The Borrower is not in breach of any covenant set forth in Section 14(b)(ii) (*Affirmative Covenants – Securing Liens*) or in the WIFIA Loan Documents with respect to the matters described in Section 14(b)(ii) (*Affirmative Covenants – Securing Liens*). As of the Effective Date and as of each other date this representation and warranty is made, (A) all documents and instruments have been recorded or filed for record in such manner and in such places as are required and all other action as is necessary or desirable has been taken to establish a legal, valid, binding, and enforceable and perfected Lien on the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs and the WIFIA Debt Service Account for the benefit of the WIFIA Lender, and (B) all taxes and filing fees that are due and payable in connection with the execution, delivery or recordation of any WIFIA Loan Document or any instruments, certificates or financing statements in connection with the foregoing, have been paid. Neither the attachment, perfection, validity, enforceability or priority of the security interest in the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs and the WIFIA Debt Service Account is governed by Article 9 of the UCC.

(h) No Debarment. Each Obligor has fully complied with its verification obligations under 2 C.F.R. § 180.320 and confirms, based on such verification, that, to its knowledge, neither it nor any of its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R. § 1532.995) (i) is debarred, suspended or voluntarily excluded from participation in Government contracts, procurement or non-procurement matters, (ii) is presently indicted for or otherwise criminally or civilly charged by a Governmental Authority with commission of any of the offenses listed in 2 C.F.R. § 180 or 2 C.F.R. § 1532; and (iii) have, within the three (3) year period preceding the Effective Date, (A) been convicted for or had a civil judgment rendered against it for any of the offenses within such period or (B) had any public transactions (federal, state or local) terminated for cause or default.

(i) No Lobbying. Pursuant to 31 U.S.C. § 1352, to the best of each Obligor's knowledge and belief, (i) no federal appropriated funds have been paid or will be paid, by or on behalf of any Obligor, to any Person for influencing or attempting to influence an officer or employee of an agency, a member (or employee of a member), officer, or employee of the U.S. Congress, in connection with the making of the WIFIA Loan, execution (including amendments or modifications) of the Related Documents, or any other federal action under 31 U.S.C. § 1352(a)(2); and (ii) if any funds other than federal appropriated funds have been paid or will be paid to any Person for influencing or attempting to influence an officer or employee of any agency, a member (or employee of a member), officer, or employee of the U.S. Congress in connection with the WIFIA Loan, each Obligor has completed and submitted to the WIFIA Lender Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(j) Accuracy of Representations and Warranties. The representations, warranties and certifications of each Obligor set forth in this Agreement and the other Related Documents to which such Obligor is a party are true, correct, and complete in all material respects, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true, correct, and complete as of such earlier date).

(k) Compliance with Laws.

(i) Each Obligor, and, to the best of the knowledge of each Obligor, each of such Obligor's contractors and subcontractors at all tiers with respect to the Project, has complied with all applicable laws, rules, regulations and requirements, including 40 U.S.C. §§ 3141-3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto), 33 U.S.C. § 3914 (relating to American iron and steel products), 20 C.F.R. § 180.320 and 20 C.F.R. § 1532 (relating to non-debarment), 31 U.S.C. § 1352 and 49 C.F.R. § 20.100 (relating to non-lobbying), and any applicable Sanctions Laws.

(ii) To ensure such compliance, each Obligor has included in all contracts to which it is a party with respect to the Project (A) the contract clauses relating to the applicable federal requirements (such as Davis-Bacon Act) and (B) requirements that its contractors (1) shall comply with all applicable laws, rules, regulations, and requirements set forth in this Section 12(k) (*Representations and Warranties of Obligors – Compliance with Laws*) and follow applicable federal guidance and (2) incorporate in all subcontracts (and cause all subcontractors to include in lower tier subcontracts) such terms and conditions as are required to be incorporated therein by any applicable laws, rules, regulations and requirements set forth in this Section 12(k) (*Representations and Warranties of Obligors – Compliance with Laws*).

(l) Credit Ratings. The WIFIA Loan and the Outstanding Parity Obligations have received a public Investment Grade Rating from at least one (1) Nationally Recognized Rating Agency, written evidence of such rating has been provided to the WIFIA Lender prior to the Effective Date, and such rating has not been reduced, withdrawn or suspended as of the Effective Date.

(m) No Defaults. No Default or Event of Default, and no default or event of default by any Obligor under any other Related Document to which such Obligor is a party, has occurred and is continuing.

(n) Governmental Approvals. All Governmental Approvals required as of the Effective Date and required as of any subsequent date on which this representation is made (or deemed made) for the undertaking and completion by the Members (or the City on behalf of the Members) of the Project, and for the operation and management thereof, have been obtained or effected and are in full force and effect and there is no basis for, nor proceeding that is pending or threatened that could reasonably be expected to result in, the revocation of any such Governmental Approval.

(o) Construction Contracts. Attached as **SCHEDULE V** (*Construction Contracts*) is a list of the Existing Construction Contracts, including the name of the contract, the parties thereto, the effective date and a description thereof. Each Construction Contract is in full force and effect and all conditions precedent to the obligations of the respective parties under each Construction Contract have been satisfied. To the extent requested by the WIFIA Lender, the Borrower has delivered to the WIFIA Lender a fully executed, complete and correct copy of each Construction Contract (including in each case all exhibits, schedules and other attachments), including any amendments or modifications thereto and any related credit support instruments or side letters.

(p) Information. The information furnished by, or on behalf of, the Obligors to the WIFIA Lender, when taken as a whole, is true and correct in all material respects (other than for projections and other forward-looking statements contained in the Base Case Financial Model and any Updated Financial Model which have been made in good faith and based on reasonable assumptions) and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading as of the date made or furnished.

(q) Environmental Matters. Each Obligor and, to such Obligor's knowledge, each Construction Contractor, is in compliance with all laws applicable to the related System (including the Project) relating to (i) air emissions, (ii) discharges to surface water or ground water, (iii) noise emissions, (iv) solid or liquid waste disposal, (v) the use, generation, storage, transportation or disposal of toxic or hazardous substances or wastes, (vi) biological resources (such as threatened and endangered species), and (vii) other environmental, health or safety matters, including all laws applicable to the related System (including the Project) (collectively, the "**Environmental Laws**"). All Governmental Approvals for the Project relating to Environmental Laws have been, or, when required, will be, obtained and are (or, as applicable, will be) in full force and effect. No Obligor has received any written communication or notice, whether from a Governmental Authority, employee, citizens group, or any other Person, that alleges that such Obligor is not in full compliance with all Environmental Laws and Governmental Approvals relating thereto in connection with the Project and, to such Obligor's knowledge, there are no circumstances that may prevent or interfere with full compliance in the future by such Obligor with any such Environmental Law or Governmental Approval. Each Obligor has provided to the WIFIA Lender all material assessments, reports, results of investigations or audits, and other material information in the possession of or reasonably available to such Obligor regarding such Obligor's or the Project's compliance with (A) Environmental Laws and (B) Governmental Approvals that are required for the Project and relate to Environmental Laws.

(r) Sufficient Rights. Each Member possesses either valid legal and beneficial title to, leasehold title in, or other valid legal rights with respect to the real property relating to the related System (including the Project), in each case as is necessary and sufficient as of the date this representation is made for the construction, operation, maintenance and repair of the related System (including the Project). As of any date on which this representation and warranty is made, the Construction Contracts then in effect and the Governmental Approvals that have been obtained and are then in full force and effect create rights in each Member sufficient to enable such Member to own, construct, operate, maintain and repair the related System (including the Project) and such Member to perform its obligations under the Construction Contracts to which it is a party.

(s) Insurance. Each Obligor is in compliance with all insurance obligations required under each Related Document to which such Obligor is a party as of the date on which this representation and warranty is made.

(t) No Prohibited Liens. Except for Permitted Liens, no Obligor has created, and is not under any obligation to create, and has not entered into any transaction or agreement that would result in the imposition of, any Lien on the Net Revenues, the Systems, the Project or any Obligor's respective rights in any of the foregoing. The Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs and the WIFIA Debt Service Account are free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto other than the pledge and Lien thereon for the benefit of the WIFIA Lender.

(u) Financial Statements. Each income statement, balance sheet and statement of operations and cash flows (collectively, "**Financial Statements**") delivered to the WIFIA Lender pursuant to Section 16(b) (*Reporting Requirements – Annual Financial Statements*) has been prepared in accordance with GAAP and presents fairly, in all material respects, the financial condition (including any liabilities or obligations that are required to be disclosed in accordance with GAAP) of each Obligor as of the respective dates of the balance sheets included therein and the results of operations of such Obligor for the respective periods covered by the statements of income included therein. Except as reflected in such Financial Statements, there are no liabilities or obligations of any Obligor of any nature whatsoever for the periods to which such Financial Statements relate that are required to be disclosed in accordance with GAAP.

(v) Securities Laws. Under existing law, the WIFIA Bond may be issued and sold without registration under the Securities Act of 1933, as amended, and any State blue sky laws.

(w) Taxes. Each Obligor has paid all applicable taxes and other material taxes and assessments payable by such Obligor that have become due (other than those taxes or assessments that such Obligor is contesting in good faith and by appropriate proceedings, for which adequate reserves have been established to the extent required by GAAP).

(x) Sufficient Funds. The amount of the WIFIA Loan, when combined with secured financing and appropriated cash and funds expected to be secured and appropriated for the development and construction of the Project as set forth under the various sources of funds in the Base Case Financial Model and the Project Budget will be sufficient to carry out the Project, pay all Total Project Costs anticipated for the development and construction of the Project and achieve Substantial Completion by the Projected Substantial Completion Date. The total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan, does not exceed eighty percent (80%) of Total Project Costs. The Updated Financial Model most recently delivered to the WIFIA Lender pursuant to Section 16 (*Reporting Requirements*) demonstrates that the projected Revenues are sufficient to meet the WIFIA Loan Amortization Schedule. Each Obligor has developed, and identified adequate revenues to implement, a plan for operating, maintaining, and repairing the Project over the useful life of the Project.

(y) Sovereign Immunity. Each Obligor either has no immunity from the jurisdiction of any court of competent jurisdiction or from any legal process therein which could

be asserted in any action to enforce the obligations of such Obligor under any of the Related Documents to which it is a party or the transactions contemplated hereby or thereby, including the obligations of such Obligor hereunder and thereunder, or, to the extent that such Obligor has such immunity, such Obligor has waived such immunity pursuant to Section 14(n) (*Affirmative Covenants – Immunity*).

(z) No Federal Debt. No Obligor has any delinquent federal debt (including tax liabilities but excluding any delinquencies that have been resolved with the appropriate federal agency in accordance with the standards of the Debt Collection Improvement Act of 1996).

Section 13. Representations and Warranties of WIFIA Lender. The WIFIA Lender represents and warrants that:

(a) Power and Authority. The WIFIA Lender has all requisite power and authority to make the WIFIA Loan and to perform all transactions contemplated by the Related Documents to which it is a party.

(b) Due Execution; Enforceability. The Related Documents to which it is a party have been duly authorized, executed and delivered by the WIFIA Lender, and are legally valid and binding agreements of the WIFIA Lender, enforceable in accordance with their terms.

(c) Officers' Authorization. The officers of the WIFIA Lender executing each of the Related Documents to which the WIFIA Lender is a party are duly and properly in office and fully authorized to execute the same on behalf of the WIFIA Lender.

ARTICLE V COVENANTS

Section 14. Affirmative Covenants. Each Obligor covenants and agrees as follows (except to the extent such obligation is an express obligation of another Obligor) until the date the WIFIA Bond and all of the obligations of the Borrower under this Agreement (other than contingent indemnity obligations) are irrevocably paid in full in immediately available funds and the WIFIA Lender no longer has any commitment to make disbursements to the Borrower, unless the WIFIA Lender waives compliance in writing:

(a) Rate Covenant.

(i) Each Member shall fix, prescribe, revise and collect rates, fees and charges for the services and facilities furnished by the related System during each Fiscal Year which are at least sufficient to yield (A) Net Revenues of such Member for such Fiscal Year at least equal to one hundred twenty percent (120%) of Maximum Annual Debt Service on all Parity Obligations of such Member for such Fiscal Year and (B) Net Revenues of such Member for such Fiscal Year at least equal to one hundred twenty percent (120%) of Maximum Annual Debt Service on all Subordinated Obligations of such Member for such Fiscal Year, except that coverage of at least one hundred percent (100%) of Debt Service on all Subordinated Obligations of such Member shall be deemed sufficient with respect to Subordinated Obligations of such Member so long as Obligations of such Member other than the relevant WIFIA FA are outstanding and, upon defeasance of all

Obligations of such Member other than the relevant WIFIA FA, this ratio must be at least one hundred twenty percent (120%), except where such Obligations of such Member are defeased pursuant to Refunding Parity Obligations. For the purposes of the calculation of the rate covenant described in clauses (A) and (B) above, Net Revenues of each Member may include transfers from the applicable Rate Stabilization Fund; provided that the Net Revenues of such Member excluding such transfers are at least one hundred percent (100%) of the Maximum Annual Debt Service for the relevant Fiscal Year with respect to all Outstanding Obligations of such Member.

(ii) Each Member may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates and charges then in effect unless the Net Revenues of such Member from such reduced rates and charges will at all times be sufficient to meet the requirements of Section 14(a)(i) (*Affirmative Covenants – Rate Covenant*). Each Member shall increase such rates, fees and charges whenever necessary to produce Net Revenues sufficient to meet the requirements of Section 14(a)(i) (*Affirmative Covenants – Rate Covenant*).

(iii) If the forecast furnished by the Members (or the City on behalf of the Members) in the most recent Updated Financial Model delivered by the Members pursuant to Section 16(a) (*Reporting Requirements – Updated Financial Model*) demonstrates that projected Net Revenues of either Member may be inadequate to satisfy the Rate Covenant for any Fiscal Year until the Final Maturity Date, or if either Member fails to satisfy the Rate Covenant for the most recently ended Fiscal Year, such Member shall (A) within thirty (30) days after request by the WIFIA Lender, engage the Technical and Rate Consultant to review and analyze the operations of the applicable System and recommend actions regarding revising the rates or changing the methods of operations, or any other actions to increase such Member's Net Revenues so as to satisfy the Rate Covenant, (B) cause the Technical and Rate Consultant to issue its report, including any such recommended actions, no later than ninety (90) days following such engagement, and (C) either, within thirty (30) days, (1) to the extent permitted by law, implement the Technical and Rate Consultant's recommendation or (2) undertake an alternative course of action after demonstrating to the WIFIA Lender's satisfaction that an alternative plan will generate sufficient Net Revenues so as to satisfy the Rate Covenant.

(b) Securing Liens.

(i) The Members shall at any and all times, to the extent permitted by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable in connection with assuring, conveying, granting, assigning, securing and confirming the Liens on the Net Revenues (whether now existing or hereafter arising) granted to the Borrower for its benefit pursuant to the WIFIA FAs, or intended so to be granted pursuant to the WIFIA FAs, or which the Members may become bound to grant, and the Members shall at all times maintain the Net Revenues free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto that has priority over, or equal rank with, the Liens created by the WIFIA FAs, other than as permitted by this Agreement, and all organizational, regulatory or other necessary action on the part of the

Members to that end shall be duly and validly taken at all times. The Members shall at all times, to the extent permitted by law, defend, preserve and protect the Liens on the Net Revenues granted pursuant to the WIFIA FAs and for the benefit of the Borrower under the WIFIA FAs against all claims and demands of all Persons whomsoever, subject to Permitted Liens.

(ii) The Borrower shall at any and all times, to the extent permitted by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable in connection with assuring, conveying, granting, assigning, securing and confirming the Liens on the Authority Revenues (whether now existing or hereafter arising), the right, title and interest of the Borrower in the WIFIA FAs and the WIFIA Debt Service Account granted to the WIFIA Lender for its benefit pursuant to the this Agreement, or intended so to be granted pursuant to this Agreement, or which the Borrower may become bound to grant, and the Borrower shall at all times maintain the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs and the WIFIA Debt Service Account free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto other than the Liens with respect to the WIFIA Loan, and all organizational, regulatory or other necessary action on the part of the Borrower to that end shall be duly and validly taken at all times. The Borrower shall at all times, to the extent permitted by law, defend, preserve and protect the Liens on the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs and the WIFIA Debt Service Account granted pursuant to this Agreement and for the benefit of the WIFIA Lender under this Agreement against all claims and demands of all Persons whomsoever.

(c) Use of Proceeds. Each Obligor shall use the proceeds of the WIFIA Loan solely for purposes permitted by applicable law, this Agreement and the other Related Documents.

(d) Prosecution of Work; Verification Requirements.

(i) The Members (or the City on behalf of the Members) shall diligently prosecute the work relating to the Project and complete the Project in accordance with the Construction Schedule, the Governmental Approvals in connection with the Project, and prudent utility practice.

(ii) Each Member (or the City on behalf of the Members) shall ensure that each Construction Contractor complies with all applicable laws and legal or contractual requirements with respect to any performance security instrument delivered by such Construction Contractor to the Borrower and shall ensure that any letter of credit provided pursuant to any Construction Contract meets the requirements therefor set forth in such Construction Contract.

(iii) Each Obligor shall comply with Subpart C of 2 C.F.R. Part 180, as supplemented by Subpart C of 2 C.F.R. Part 1532 (relating to debarment), including the verification requirements set forth in 2 C.F.R. §§ 180.300 and 180.320, and shall include in its contracts with respect to the Project similar terms or requirements for compliance.

(e) Operation and Maintenance of the Systems; Insurance.

(i) The City has agreed in the MOA to operate and maintain the Project. Each Member covenants and agrees to operate its System in an efficient and economical manner and to operate, maintain and preserve its System in good repair and working order. Each Member shall at all times maintain with responsible insurers all such insurance on its System as is customarily maintained with respect to works and properties of like character against accident to, loss of or damage to such System. Each Member shall also maintain, with responsible insurers, worker's compensation insurance and insurance against public liability and property damage to the extent reasonably necessary to protect such Member, the Borrower and the WIFIA Lender.

(ii) Promptly upon request by the WIFIA Lender, the Members (or the City on behalf of the Members) shall deliver to the WIFIA Lender copies of any underlying insurance policies obtained by or on behalf of such Member in respect of the Project. All such policies shall be available at all reasonable times for inspection by the WIFIA Lender, its agents and representatives.

(f) Events of Loss; Loss Proceeds. If an Event of Loss shall occur with respect to a System (including the Project) or any part thereof, the applicable Member (or the City on behalf of the Members) shall (i) diligently pursue all of its rights to compensation against all relevant insurers, reinsurers and Governmental Authorities, as applicable, in respect of such Event of Loss and (ii) apply all Net Loss Proceeds in respect of such Event of Loss to repair, reconstruct, and/or replace the portion of the System in respect of which the applicable Loss Proceeds were received to the extent such repair, reconstruction and/or replacement is necessary to comply with the first sentence of Section 14(e) (*Operation and Maintenance of the Systems; Insurance*). Such Member (or the City on behalf of the Members) shall begin such repair, reconstruction or replacement promptly after such damage or destruction shall occur, and shall continue and properly complete such repair, reconstruction or replacement as expeditiously as possible, and shall pay out of such Loss Proceeds all costs and expenses in connection with such repair, reconstruction or replacement so that the same shall be completed and the System shall be free and clear of all claims and Liens. If such Net Loss Proceeds exceed the costs of such repair, reconstruction or replacement, then the excess Net Loss Proceeds shall be deposited in the applicable Revenue Fund and be available for other proper uses of funds deposited in such Revenue Fund. If such Net Loss Proceeds are insufficient to enable such Member to restore or replace the damaged portions of such System, such Member shall provide additional funds for that purpose.

(g) Maintain Legal Structure. The City shall maintain its existence as a general city and municipal corporation organized and existing under its Organizational Documents and the laws of the State. The District shall maintain its existence as a county sanitation district and subsidiary district of the City established under the laws of the State. The Borrower shall maintain its existence as a joint exercise of powers authority organized and existing under its Organizational Documents and the laws of the State.

(h) System Accounts; Permitted Investments.

(i) Each Member shall maintain its Revenue Fund in accordance with the terms hereof and the other WIFIA Loan Documents. Each Member's Revenues received shall be deposited in the applicable Revenue Fund when and as received in trust for the benefit of the holders of the Obligations, subject to the application of Revenues to Maintenance and Operation Costs. Moneys in the Revenue Funds shall be used and applied by the Members as provided in the Flows of Funds.

(ii) Amounts on deposit in the Funds and Accounts shall be held uninvested or invested in Permitted Investments. Permitted Investments must mature or be redeemable at the election of the applicable Obligor at such times as may be necessary to ensure that funds will be available within the applicable account to be applied towards the purpose for which the applicable account has been established.

(i) WIFIA Debt Service Account. The Borrower shall (i) establish the WIFIA Debt Service Account on or prior to the Effective Date and (ii) maintain the WIFIA Debt Service Account in accordance with this Agreement for the exclusive benefit of the WIFIA Lender. The WIFIA Debt Service Account shall be subject to a Lien and has been pledged by the Borrower hereunder to the WIFIA Lender as security solely for the benefit of the WIFIA Lender and shall not be subject to any security interest in favor of any Person other than the WIFIA Lender. Amounts on deposit in the WIFIA Debt Service Account shall be applied by the Borrower solely to pay WIFIA Debt Service and other amounts due with respect to the WIFIA Loan or the WIFIA Bond.

(j) Compliance with Laws.

(i) Each Obligor shall, and each Obligor shall require, its contractors and subcontractors at all tiers with respect to the Project to comply with all applicable laws, rules, regulations and requirements, including 40 U.S.C. §§ 3141-3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto) and 33 U.S.C. § 3914 (relating to American iron and steel products).

(ii) To ensure such compliance, each Obligor shall include in all contracts to which it is a party with respect to the Project (A) the contract clauses relating to the Davis-Bacon Act requirements that are set forth in the Code of Federal Regulations, Title 29 Part 5.5 and (B) requirements that its contractors (1) shall comply with all applicable laws, rules, regulations, and requirements set forth in this Section 14(j) (*Affirmative Covenants – Compliance with Laws*) and follow applicable federal guidance and (2) incorporate in all subcontracts (and cause all subcontractors to include in lower tier subcontracts) such terms and conditions as are required to be incorporated therein by any applicable laws, rules, regulations and requirements set forth in this Section 14(j) (*Affirmative Covenants – Compliance with Laws*) (including with respect to the Davis-Bacon Act requirements).

(iii) No use of proceeds of the WIFIA Loan or any other transaction contemplated by this Agreement or any other Related Document shall violate any applicable Sanctions, Anti-Money Laundering Laws, or Anti-Corruption Laws, or any applicable anti-drug trafficking or anti-terrorism laws.

(k) Material Obligations; Payment of Claims.

(i) Each Obligor shall pay its material obligations promptly and in accordance with their terms.

(ii) Each Member shall pay and discharge promptly all taxes, assessments and governmental charges or levies imposed upon it or upon its Revenues or other assets of the related System, before the same shall become delinquent or in default; provided that such payment and discharge shall not be required with respect to any such tax, assessment, charge, levy, claim or Lien so long as the validity or amount thereof shall be contested by the applicable Member in good faith by appropriate proceedings and so long as such Member shall have set aside adequate reserves with respect thereto in accordance with and to the extent required by GAAP, applied on a consistent basis.

(iii) The Borrower shall pay and discharge promptly all taxes, assessments and governmental charges or levies imposed upon it or upon the Authority Revenues, before the same shall become delinquent or in default; provided that such payment and discharge shall not be required with respect to any such tax, assessment, charge, levy, claim or Lien so long as the validity or amount thereof shall be contested by the Borrower in good faith by appropriate proceedings and so long as the Borrower shall have set aside adequate reserves with respect thereto in accordance with and to the extent required by GAAP, applied on a consistent basis.

(iv) Each Member shall pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a Lien on such Member's System (or any part thereof), the Project, such Member's Net Revenues or any fund or account of the applicable Member pledged to pay Parity Obligations.

(v) The Borrower shall pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a Lien on the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs, or the WIFIA Debt Service Account.

(l) SAM Registration. Each Obligor shall (i) obtain prior to the Effective Date (and provide such registration information to the WIFIA Lender) and maintain through the Final Disbursement Date an active registration status with the federal System for Award Management (www.SAM.gov) (or any successor system or registry) and (ii) within sixty (60) days prior to each anniversary of the Effective Date until the Final Disbursement Date, provide to the WIFIA Lender evidence of such active registration status with no active exclusions reflected in such registration.

(m) UEI Number. The Borrower shall obtain and maintain, on or prior to the Effective Date through the Final Maturity Date, a UEI Number.

(n) Immunity. To the fullest extent permitted by applicable law, each Obligor agrees that it will not assert any immunity (and hereby waives any such immunity) it may have as a governmental entity from lawsuits, other actions and claims, and any judgments with respect to the enforcement of any of the obligations of such Obligor under this Agreement or any other WIFIA Loan Document.

(o) Accounting and Audit Procedures.

(i) Each Obligor shall establish fiscal controls and accounting procedures sufficient to assure proper accounting for all of the following, as applicable to such Obligor: (A) Net Revenues, Authority Revenues, operating expenses, capital expenses, depreciation, reserves, debt issued and outstanding and debt payments; and (B) Project-related costs, WIFIA Loan requisitions submitted, WIFIA Loan proceeds received, payments made by the Obligors with regard to the Project, and other sources of funding for the Project (including amounts paid from such sources for Project costs so that audits may be performed to ensure compliance with and enforcement of this Agreement). Each Obligor shall use accounting, audit and fiscal procedures conforming to GAAP, including, with respect to the WIFIA Loan, accounting of principal and interest payments, disbursements, prepayments and calculation of interest and principal amounts Outstanding.

(ii) The Borrower shall have a single or program-specific audit conducted in accordance with 2 C.F.R. Part 200 Subpart F and 31 U.S.C. § 7502 for the first Fiscal Year in which a disbursement is made under this Agreement and annually thereafter, except to the extent biennial audits are permitted for the Borrower pursuant to 2 C.F.R. § 200.504 and 31 U.S.C. § 7502(b). Upon reasonable notice, each Obligor shall cooperate fully in the conduct of any periodic or compliance audits conducted by the WIFIA Lender, or designees thereof, pursuant to 40 C.F.R. Part 35, 31 U.S.C. § 7503(b), or 31 U.S.C. § 6503(h) and shall provide full access to any books, documents, papers or other records that are pertinent to the Project or the WIFIA Loan, to the WIFIA Lender, or the designee thereof, for any such project or programmatic audit.

(p) Access; Records.

(i) So long as the WIFIA Loan or any portion thereof shall remain outstanding and until five (5) years after the WIFIA Loan shall have been paid in full, the WIFIA Lender shall have the right, upon reasonable prior notice, to visit and inspect any portion of the Project, to examine books of account and records of each Obligor relating to the Project, to make copies and extracts therefrom at such Obligor's expense, and to discuss each Obligor's affairs, finances and accounts relating to the Project with, and to be advised as to the same by, its officers and employees and its independent public accountants (and by this provision each Obligor irrevocably authorizes its independent public accountants to discuss with the WIFIA Lender the affairs, finances and accounts of such Obligor, whether or not any representative of such Obligor is present, it being understood that nothing contained in this Section 14(p) (*Affirmative Covenants – Access; Records*) is intended to confer any right to exclude any such representative from such discussions), all at such reasonable times and intervals as the WIFIA Lender may request. Each Obligor agrees on a joint and several basis to pay all out-of-pocket expenses incurred by the WIFIA Lender in connection with the WIFIA Lender's exercise of its rights under this Section 14(p) (*Affirmative Covenants – Access; Records*) at any time when an Event of Default shall have occurred and be continuing.

(ii) Each Obligor shall maintain and retain all files relating to the Project and the WIFIA Loan until five (5) years after the later of the date on which (A) all rights

and duties under this Agreement and under the WIFIA Bond (including payments) have been fulfilled and any required audits have been performed and (B) any litigation relating to the Project, the WIFIA Loan or this Agreement is finally resolved or, if the WIFIA Lender has reasonable cause to extend such date, a date to be mutually agreed upon by the WIFIA Lender and the Obligor. Each Obligor shall provide to the WIFIA Lender in a timely manner all records and documentation relating to the Project that the WIFIA Lender may reasonably request from time to time.

Section 15. Negative Covenants. Each Obligor covenants and agrees as follows (except to the extent such obligation is an express obligation of another Obligor) until the date the WIFIA Bond and all of the obligations of the Borrower under this Agreement (other than contingent indemnity obligations) are irrevocably paid in full in immediately available funds and the WIFIA Lender no longer has any commitment to make disbursements to the Borrower, unless the WIFIA Lender waives compliance in writing:

(a) Borrower Indebtedness. The Borrower shall not create, incur or suffer to exist (i) any debt obligations unless such obligations are secured by Liens on payments by one or more of the Members, which are (A) documented under a financing agreement, lease or other instrument and (B) at least equal in amount to the principal, interest and redemption amounts, as applicable, owed to the holders of such debt obligations or (ii) any debt obligations that are senior or prior in right to the payment by the Borrower from Authority Revenues of the WIFIA Loan, and in no event shall any obligations other than the WIFIA Loan be secured by Liens on Authority Revenues.

(b) Senior Lien and Project Obligations. Neither Member shall create, incur or suffer to exist (i) any Obligations which are senior or prior in right to (A) the payment by the Members of the Authority Bond Payments and the other Parity Obligations or (B) the Lien on the Net Revenues in favor of the Borrower or (ii) any obligations, all or a portion of the proceeds of which are or will be applied at any time to fund all or any portion of Total Project Costs, that are secured by a Lien on any assets or property of such Member other than the Net Revenues.

(c) Issuance of Parity Obligations.

(i) Without regard to Section 15(c)(iii) (*Negative Covenants – Issuance of Parity Obligations*), either Member may at any time issue or enter into an obligation or commitment which is a Qualified Swap Agreement; provided (A) the Qualified Swap Agreement shall relate to a principal amount of Outstanding Parity Obligations or investments held under an Issuing Instrument for Parity Obligations, in each case specified by the City's Authorized Representative or the District's Authorized Representative, as applicable, and (B) the notional amount of the Qualified Swap Agreement shall not exceed the principal amount of the related Parity Obligation or the amount of such investments, as applicable.

(ii) Subject to Section 15(c)(iii) (*Negative Covenants – Issuance of Parity Obligations*), either Member may enter into Credit Support Instruments or otherwise become obligated for Credit Provider Reimbursement Obligations from time to time.

(iii) Either Member may, at any time and from time to time, issue any Additional Parity Obligations: provided such Member obtains or provides a certificate or certificates, prepared by such Member or at such Member's option by a Consultant, showing that all of the following conditions are met:

(A) Net Revenues of such Member in the most recent Fiscal Year, excluding transfers from the Rate Stabilization Fund, if any, meet the ratio required to satisfy the Rate Covenant as set forth in Section 14(a)(i) (*Rate Covenant*);

(B) such Member is not in default on any Outstanding Obligation; and

(C) (1) the estimated Net Revenues of such Member for the Fiscal Year in which the proposed Additional Parity Obligation is issued, and (2) projected Net Revenues of such Member for the five (5) Fiscal Years immediately following the Fiscal Year in which the Additional Parity Obligation is issued, will be at least equal to one hundred twenty percent (120%) of the maximum Annual Debt Service for such Fiscal Year(s) with respect to all Outstanding Parity Obligations, including the Additional Parity Obligation proposed to be issued. For purposes of clause (2), (x) if all or a portion of the interest on any Parity Obligations during such five (5) Fiscal Year period is being or will be capitalized, the five (5) Fiscal Year period will commence with the first Fiscal Year beginning on or after the last date on which such interest is capitalized, (y) projected Net Revenues of such Member for each Fiscal Year in the five (5) Fiscal Year period may include Revenues arising from increases in the rates and charges estimated to be fixed and prescribed or received for the services of the Water Enterprise or Sewer Enterprise, as applicable, and which are economically feasible and reasonably considered necessary based on projected operations for such Fiscal Years, and (z) Net Revenues of such Member may include Rate Stabilization Fund transfers, provided that the Net Revenues of such Member, excluding the amounts of such transfers, equals at least one hundred percent (100%) of the Maximum Annual Debt Service for the relevant Fiscal Year with respect to all Outstanding Parity Obligations, including the Additional Parity Obligation proposed to be issued.

(iv) For purposes of preparing the certificate or certificates described in Section 15(c)(iii) (*Negative Covenants – Issuance of Parity Obligations*) and Section 15(c)(v) (*Negative Covenants – Issuance of Parity Obligations*), the applicable Member and any Consultant may rely upon the books and records of such Member or any financial statements prepared by such Member which have not been subject to audit by an Independent Accountant if audited financial statements for the particular Fiscal Year selected by such Member are not available.

(v) Upon the incurrence of any Additional Parity Obligations, the applicable Member shall provide to the WIFIA Lender a certificate signed by the City's Authorized Representative or District's Authorized Representative, as applicable, (A) specifying the closing date with respect to such Additional Parity Obligations and (B)

confirming that such Additional Parity Obligations are authorized pursuant to, and satisfy the applicable requirements under, this Section 15(c) (*Negative Covenants – Issuance of Parity Obligations*).

(d) Issuance of Subordinated Obligations.

(i) Either Member may, at any time and from time to time, issue any Subordinated Obligations; provided such Member obtains or provides a certificate or certificates, prepared by such Member or at such Member's option by a Consultant, showing that all of the following conditions are met:

(A) Net Revenues of such Member in the most recent Fiscal Year, excluding transfers from the Rate Stabilization Fund, if any, meet the ratio required to satisfy the Rate Covenant as set forth in Section 14(a)(i) (*Rate Covenant*);

(B) such Member is not in default on any Outstanding Obligation; and

(C) such Subordinated Obligation is fully subordinated to the Parity Obligations in priority of payment (as to both principal and interest), voting and priority of security interest with respect to the Net Revenues, including with respect to payment from revenues and reserves and payment upon default or acceleration of any such Obligations; provided that no Subordinated Obligation document shall supersede or conflict with any provision of the relevant WIFIA FA or contain a right to accelerate without the consent of the WIFIA Lender.

(ii) For purposes of preparing the certificate or certificates described in Section 15(d)(i) (*Negative Covenants – Issuance of Subordinated Obligations*) and Section 15(d)(iii) (*Negative Covenants – Issuance of Subordinated Obligations*), the applicable Member and any Consultant may rely upon the books and records of such Member or any financial statements prepared by such Member which have not been subject to audit by an Independent Accountant if audited financial statements for the particular Fiscal Year selected by such Member are not available.

(iii) Upon the incurrence of any Subordinated Obligations, the applicable Member shall provide to the WIFIA Lender a certificate signed by the City's Authorized Representative or District's Authorized Representative, as applicable, (A) specifying the closing date with respect to such Subordinated Obligations and (B) confirming that such Subordinated Obligations are authorized pursuant to, and satisfy the applicable requirements under, this Section 15(d) (*Negative Covenants – Issuance of Subordinated Obligations*).

(e) No Lien Extinguishment or Adverse Amendments. No Obligor shall, and no Obligor shall permit any Person to, without the prior written consent of the WIFIA Lender, (i) extinguish or impair the Liens on (A) the Net Revenues granted pursuant to the WIFIA FAs or on (B) the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs or the WIFIA Debt Service Account granted pursuant to this Agreement, (ii) amend, modify, terminate,

assign, replace or supplement, or permit a waiver of any provision of, either WIFIA FA, (iii) amend, modify, replace or supplement any Related Document (other than the WIFIA FAs, which are addressed in subclause (ii) above) or permit a waiver of any provision thereof in a manner that could adversely affect the WIFIA Lender or could reasonably be expected to result in a Material Adverse Effect, or (iv) terminate, assign or replace any Related Document (other than the WIFIA FAs, which are addressed in subclause (ii) above) in a manner that could adversely affect the WIFIA Lender or could reasonably be expected to have a Material Adverse Effect.

(f) No Prohibited Liens. Except for Permitted Liens, neither Member shall create, incur, assume or permit to exist any Lien on its System, the Project, its Net Revenues, or such Member's respective rights therein. Except for the Liens with respect to the WIFIA Loan for the benefit of the WIFIA Lender, the Borrower shall not create, incur, assume or permit to exist any Lien on the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs or the WIFIA Debt Service Account.

(g) Restricted Payments and Transfers. Neither Member shall permit its Revenues or any funds in any other fund or account held by or on behalf of such Member with respect to its System, to be paid or transferred or otherwise applied for purposes other than ownership, operation or maintenance of its System.

(h) No Prohibited Sale, Lease or Assignment. Neither Member shall sell, lease or assign its rights in and to its System, a substantial portion of the assets included in its System, or its rights and obligations under any Construction Contract, in each case unless such sale, lease or assignment (i) could not reasonably be expected to have a Material Adverse Effect and (ii) is made by such Member in the ordinary course of business.

(i) Fiscal Year. No Obligor shall at any time adopt any fiscal year other than the Fiscal Year, except with thirty (30) days' prior written notice to the WIFIA Lender.

(j) Mergers and Acquisitions. No Obligor shall, or shall agree to, reorganize, consolidate with or merge into another Person unless (i) such reorganization, merger or consolidation is with or into another entity established by State law and such reorganization, merger or consolidation is permissible by State law, and in each case, does not adversely affect or impair (A) the Net Revenues (which shall be determined by reference by a pro forma provided by the affected Member that shows compliance with the applicable Rate Covenant in the Fiscal Year in which such merger occurs and the Fiscal Year immediately following the Fiscal Year in which such merger occurs), (B) the Authority Revenues or (C) the availability of the Authority Revenues for the payment and security of the obligations of the Borrower under this Agreement, and (ii) the applicable Obligor provides to the WIFIA Lender, no later than sixty (60) days prior to the date of reorganization, consolidation or merger, prior written notice of such reorganization, consolidation or merger and the agreements and documents authorizing the reorganization, consolidation or merger, satisfactory in form and substance to the WIFIA Lender. In addition, such Obligor shall provide all information concerning such reorganization, consolidation or merger as shall have been reasonably requested by the WIFIA Lender.

(k) No Defeasance. Notwithstanding anything to the contrary in any document, the WIFIA Loan shall not be subject to defeasance and no amounts in respect of the WIFIA Loan

shall be considered or deemed to have been paid until the WIFIA Lender shall have received irrevocable payment in immediately available funds in accordance with the requirements for payment set forth in this Agreement.

(l) Hedging. Other than Qualified Swap Agreements, no Obligor shall enter into any swap or hedging transaction, including inflation indexed swap transactions, “cap” or “collar” transactions, futures, or any other hedging transaction without the prior written consent of the WIFIA Lender. No Obligor shall enter into any Qualified Swap Agreement for a speculative purpose.

Section 16. Reporting Requirements.

(a) Updated Financial Model.

(i) The Members (or the City on behalf of the Members) shall provide to the WIFIA Lender not later than ninety (90) days after the beginning of each Fiscal Year, an updated Base Case Financial Model reflecting the (A) then-current conditions and (B) projected conditions for a period not less than the greater of (1) the next five (5) succeeding Fiscal Years, (2) the duration of the City’s then-current adopted capital improvement plan period for the Water Enterprise and (3) the duration of the District’s then-adopted capital improvement plan period for the Sewer Enterprise.

(ii) The Updated Financial Model shall demonstrate to the satisfaction of the WIFIA Lender that the Members (or the City on behalf of the Members) have developed and identified adequate revenues to implement a plan for operating, maintaining and repairing the Project over its useful life, and shall include: (A) each Member’s capital improvement plan, major maintenance plan, projected rates and charges, projected debt outstanding and annual debt service, projected Revenues and projected Maintenance and Operation Costs; (B) evidence of compliance with the Rate Covenant for the most recent Fiscal Year and the projected Rate Covenant Debt Service coverages for the duration of the period set forth in Section 16(a)(i)(B) (*Reporting Requirements – Updated Financial Model*); (C) a written narrative identifying any material changes to the underlying assumptions from the previous Updated Financial Model; and (D) a certificate signed by the City’s Authorized Representative and the District’s Authorized Representative, certifying that (1) the Updated Financial Model, including the assumptions and supporting documentation, as of its date, is accurate and reasonable to the best of each Member’s knowledge and belief, (2) each Member’s annual projected Net Revenues are projected to be sufficient to meet the WIFIA Loan Amortization Schedule and to satisfy the Rate Covenant through the Final Maturity Date, and (3) each Member is in compliance with its obligations in respect of the Rate Covenant pursuant to Section 14(a) (*Affirmative Covenants – Rate Covenant*).

(iii) The delivery of the Updated Financial Model to the WIFIA Lender shall constitute a representation and warranty by each Member that the Updated Financial Model reflects such Member’s reasonable expectations, using assumptions that such Member believes to be reasonable, of its System’s expected operations, including capital costs, capital spending schedule, rates and revenues or charges (if applicable), Revenues,

Maintenance and Operation Costs, major maintenance costs, financing structure and other scheduling, cost and financing elements required to be included in the Base Case Financial Model. The Updated Financial Model shall independently model the Project (as well as the Systems) addressing each of the foregoing as it may apply to the Project.

(b) Annual Financial Statements. Each Obligor shall deliver to the WIFIA Lender, as soon as available, but no later than one hundred eighty (180) days after the end of each Fiscal Year; provided that the failure of an Obligor to deliver to the WIFIA Lender the annual audited financial statements and related certificate required under this Section 16(b) (*Reporting Requirements – Annual Financial Statements*) during the period that is one hundred eighty (180) days after the end of the applicable Fiscal Year shall not constitute a Default or an Event of Default so long as the relevant Obligor provides such annual audited financial statements and certificate within ninety (90) days after the end of such period:

(i) a copy of the audited financial statements, including a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows of such Obligor as of the end of such Fiscal Year (which may in each case be included and submitted to the WIFIA Lender as part of such Obligor's audited comprehensive annual financial report) (A) certified without qualification or exception, or qualification as to the scope of the audit, by an independent public accounting firm selected by such Obligor and (B) which shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein (except, with respect to the annual financial statements, for changes approved or required by the independent public accountants certifying such statements and disclosed therein); and

(ii) together with each delivery of such annual audited financial statements, a certificate signed by the applicable Authorized Representative stating whether or not, to such Obligor's knowledge, during the annual period covered by such financial statements, there occurred any Default or Event of Default and, if any such Default or Event of Default shall have occurred during such period, the nature of such Default or Event of Default and the actions that such Obligor has taken or intends to take in respect thereof.

(c) Final Design Specifications. The Members (or the City on behalf of the Members) shall deliver to the WIFIA Lender, no later than thirty (30) days prior to (i) bid advertisement, a copy of the final specifications relating to the development and construction of the Project and (ii) any notice to proceed for the Project, a copy of the executed construction contract related to such notice to proceed and the final Project specifications.

(d) Construction Reporting The WIFIA Lender shall have the right in its sole discretion to monitor (or direct its agents to monitor) the development of the Project, including environmental compliance, design, and construction of the Project. The Members (or the City on behalf of the Members) shall be responsible for administering construction oversight of the Project in accordance with applicable federal, state and local governmental requirements. Each Member agrees to cooperate in good faith with the WIFIA Lender in the conduct of such monitoring by promptly providing the WIFIA Lender with such reports, documentation or other information as

shall be requested by the WIFIA Lender or its agents, including any independent engineer reports, documentation or information. During the period through Substantial Completion of the Project, the Members (or the City on behalf of the Members) shall furnish to the WIFIA Lender, on a quarterly basis, a report on the status of the Project, substantially in the form of **Exhibit F** (*Form of Construction Monitoring Report*). The report shall be executed by the City's Authorized Representative and, for any quarter, shall be delivered to the WIFIA Lender within thirty (30) days of the following quarter (or if such day is not a Business Day, on the next following Business Day). If the then-current projection for the Substantial Completion Date is a date later than the Projected Substantial Completion Date, the Members (or the City on behalf of the Members) shall provide in such report a description in reasonable detail to the reasonable satisfaction of the WIFIA Lender of the reasons for such projected delay, an estimate of the impact of such delay on the capital and operating costs of the Systems (if any), and a certification of the City's Authorized Representative that the new date is not reasonably expected to result in a Material Adverse Effect. The Projected Substantial Completion Date shall automatically be adjusted to the new date specified by the Members in the Construction Monitoring Report unless the WIFIA Lender objects to the adjustment in writing to the Members within sixty (60) days following receipt of such Construction Monitoring Report on the basis that such report does not demonstrate the matters specified in this paragraph.

(e) Public Benefits Report. The Members (or the City on behalf of the Members) shall deliver to the WIFIA Lender a report, in the form of **Exhibit G** (*Form of Public Benefits Report*) (the "**Public Benefits Report**"), (i) no later than thirty (30) days prior to the Effective Date, (ii) within ninety (90) days following the Substantial Completion Date and (iii) within ninety (90) days following the fifth (5th) anniversary of the Substantial Completion Date. Each Obligor agrees that information described under this Section 16(e) (*Reporting Requirements – Public Benefits Report*) may be made publicly available by the WIFIA Lender at its discretion.

(f) Modifications to Total Project Costs. For the period through the Substantial Completion Date, the Members (or the City on behalf of the Members) shall provide the WIFIA Lender with written notification at least thirty (30) days prior to instituting any increase or decrease to the aggregate Total Project Costs in an amount equal to or greater than ten percent (10%), which notification shall set forth the nature of the proposed increase or decrease and an estimate of the impact of such increase or decrease on the capital costs and operating costs of the Systems. The Members' notice shall demonstrate that the proposed increase or decrease is consistent with the provisions of this Agreement, is necessary or beneficial to the Project, does not materially impair the WIFIA Lender's security or any Obligor's ability to comply with its obligations under the Related Documents (including any financial ratios or covenants included therein), and is not reasonably expected to result in a Material Adverse Effect.

(g) Operations and Maintenance. The WIFIA Lender shall have the right, in its sole discretion, to monitor (or direct its agents to monitor) the Project's operations and, as the WIFIA Lender may request from time to time, to receive reporting on the operation and management of the Project, and copies of any contracts relating to the operation and maintenance of the Project. The Members agree to cooperate in good faith with the WIFIA Lender in the conduct of such monitoring by promptly providing the WIFIA Lender with such reports, documentation, or other information requested by the WIFIA Lender. The WIFIA Lender has the right, in its sole discretion, to retain such consultants or advisors, to carry out the provisions of this

Section 16(g) (*Reporting Requirements – Operations and Maintenance*). On or prior to the Substantial Completion Date, the Members (or the City on behalf of the Members) shall deliver to the WIFIA Lender an operations and maintenance manual with respect to the Project, in form and substance reasonably acceptable to the WIFIA Lender.

(h) Notices.

(i) Each Obligor shall, within fifteen (15) days (or such other time as specified below) after it learns of the occurrence, give the WIFIA Lender notice of any of the following events or receipt of any of the following notices, as applicable, setting forth details of such event (unless such notice has already been provided by another Obligor); provided that any notice required pursuant to paragraphs (A) (*Substantial Completion*), (D) (*Delayed Governmental Approvals*), (E) (*Environmental Notices*) or (H) (*Uncontrollable Force*) of this Section 16(h) may be provided by the City on behalf of the applicable Obligor:

(A) Substantial Completion: the occurrence of Substantial Completion, such notice to be provided in the form set forth in **Exhibit E** (*Form of Certificate of Substantial Completion*);

(B) Defaults; Events of Default: any Default or Event of Default;

(C) Litigation: (1) the filing of any litigation, suit or action, or the commencement of any proceeding, against such Obligor before any arbitrator, Governmental Authority, alternative dispute resolution body, or other neutral third-party, or the receipt by such Obligor in writing of any threat of litigation, suit, action, or proceeding, or of any written claim against such Obligor that, in each case, could reasonably be expected to have a Material Adverse Effect, and any material changes in the status of such litigation, suit, action or claim, and (2) any judgment against such Obligor that could reasonably be expected to have a Material Adverse Effect, either individually or in the aggregate;

(D) Delayed Governmental Approvals: any failure to receive or delay in receiving any Governmental Approval or making any required filing, notice, recordation or other demonstration to or with a Governmental Authority, in each case to the extent such failure or delay will or could reasonably be expected to result in a delay to any major milestone date (including the Projected Substantial Completion Date) set forth in the Construction Schedule, together with a written explanation of the reasons for such failure or delay and the applicable Obligor's plans to remedy or mitigate the effects of such failure or delay;

(E) Environmental Notices: any material notice of violation or material change in finding under any Environmental Law related to the Project or any material changes to the NEPA Determination;

(F) Amendments: except as otherwise agreed by the WIFIA Lender in writing, copies of fully executed amendments, modifications, replacements or supplements to any Related Document within ten (10) days

following execution thereof; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number;

(G) Related Document Defaults: any material breach or default or event of default on the part of such Obligor or any other party under any Related Document; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number;

(H) Uncontrollable Force: the occurrence of any Uncontrollable Force that could reasonably be expected to materially and adversely affect the Project;

(I) Ratings Changes: any change in the rating assigned to the WIFIA Loan or any other Obligations by any Nationally Recognized Rating Agency that has provided a public rating on the WIFIA Loan or such Obligations, and any notices, reports or other written materials (other than those that are ministerial in nature) received from any such rating agencies; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number;

(J) 2 C.F.R. § 180.350 Notices: any notification required pursuant to 2 C.F.R. § 180.350, whether attributable to a failure by such Obligor to disclose information previously required to have been disclosed or due to such Obligor or any of such Obligor's principals meeting any of the criteria set forth in 2 C.F.R. § 180.335;

(K) Additional Construction Contracts: copies of any executed Additional Construction Contracts (together with any related contracts, side letters or other understandings);

(L) Issuance of Obligations: copies of any final Issuing Instrument (together with any continuing disclosure documents, ordinances, official statement, certifications or cash flow projections in connection therewith), prepared in connection with the incurrence of any Additional Obligations; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number;

(M) Postings on EMMA: the posting of any document on EMMA in accordance with the requirements of any continuing disclosure agreement or similar document with respect to any Outstanding Obligations relating to annual financial information and operating data and the reporting of significant events; provided that such notice can be accomplished through an email to the WIFIA

Lender that includes a link to the posting of the relevant document on EMMA under the WIFIA CUSIP Number; and

(N) Other Adverse Events: the occurrence of any other event or condition, including any notice of breach from a contract counterparty or any holder of any Obligations, that could reasonably be expected to result in a Material Adverse Effect or have a material and adverse effect on the Project.

(ii) Within thirty (30) calendar days after any Obligor learns of the occurrence of an event specified in Section 16(h)(i) (*Reporting Requirements – Notices*) (other than Section 16(h)(i)(A) (*Reporting Requirements – Notices – Substantial Completion*), Section 16(h)(i)(F) (*Reporting Requirements – Notices – Amendments*), Section 16(h)(i)(I) (*Reporting Requirements – Notices – Ratings Changes*) (in the case of a ratings upgrade), Section 16(h)(i)(K) (*Reporting Requirements – Notices – Additional Construction Contracts*), Section 16(h)(i)(L) (*Reporting Requirements – Notices – Issuance of Obligations*) or Section 16(h)(i)(M) (*Reporting Requirements – Notices – Postings on EMMA*)), the applicable Authorized Representative (or, in the case of Section 16(h)(i)(D) (*Delayed Governmental Approvals*), Section 16(h)(i)(E) (*Environmental Notices*) or Section 16(h)(i)(H) (*Uncontrollable Force*), the City's Authorized Representative on behalf of the applicable Obligor) shall provide a statement to the WIFIA Lender setting forth the actions the applicable Obligor proposes to take with respect thereto. The Obligors (or the City on behalf of the applicable Obligor) shall also provide the WIFIA Lender with any further information reasonably requested by the WIFIA Lender from time to time concerning the matters described in Section 16(h)(i) (*Reporting Requirements – Notices*).

(i) Requested Information. Each Obligor shall, at any time while the WIFIA Loan remains outstanding, promptly deliver to the WIFIA Lender such additional information regarding the business, financial, legal or organizational affairs of such Obligor or regarding the Systems (including the Project), the Net Revenues or the Authority Revenues as the WIFIA Lender may from time to time reasonably request.

ARTICLE VI EVENTS OF DEFAULT

Section 17. Events of Default and Remedies.

(a) An “**Event of Default**” shall exist under this Agreement if any of the following occurs; provided that the occurrence of an event set forth in Section 17(a)(ii) (*Covenant Default*), Section 17(a)(iii) (*Misrepresentation Default*), Section 17(a)(v) (*Enforcement of Related Documents*), Section 17(a)(vi) (*Material Adverse Judgment*) or Section 17(a)(ix) (*Development Default*) shall not constitute an Event of Default under this Agreement until the WIFIA Lender has provided a notice of such Event of Default to the Borrower; provided, further, that nothing in this Section 17(a) (*Events of Default and Remedies*) is intended to limit any obligation of the Borrower hereunder, including any obligation to cure any event or condition contemplated under this Section 17(a) (*Events of Default and Remedies*):

(i) Payment Default. (A) The Borrower shall fail to pay when due any part of the principal amount of or interest on the WIFIA Loan (including WIFIA Debt Service required to have been paid pursuant to the provisions of Section 8 (*Payment of Principal and Interest*)) or (B) either Member shall fail to pay when due any part of any Authority Bond Payment required to have been paid pursuant to the provisions of any WIFIA FA, and, in each case, such failure continues for a period of five (5) days, when and as the payment thereof shall be required under this Agreement, the WIFIA Bond, any WIFIA FA or on the Final Maturity Date (each such failure, a “**Payment Default**”).

(ii) Covenant Default. Any Obligor shall fail to observe or perform any covenant, agreement or obligation of such Obligor under this Agreement or any other WIFIA Loan Document (other than in the case of any Payment Default or any Development Default), and such failure shall not be cured within thirty (30) days after the earlier to occur of (A) receipt by such Obligor from the WIFIA Lender of written notice thereof or (B) such Obligor’s knowledge of such failure; provided that if such failure is capable of cure but cannot reasonably be cured within such thirty (30) day cure period, and such thirty (30) day cure period shall be extended by up to one hundred fifty (150) additional days, if and so long as (1) within such thirty (30) day cure period the applicable Obligor shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions until such failure is cured and (2) such failure is cured within one hundred eighty (180) days of the date specified in either clause (A) or (B) above, as applicable.

(iii) Misrepresentation Default. Any of the representations, warranties or certifications of any Obligor made in or delivered pursuant to the WIFIA Loan Documents (or in any certificates delivered by any Obligor in connection with the WIFIA Loan Documents) shall prove to have been false or misleading in any material respect when made or deemed made (or any representation and warranty or certification that is subject to a materiality qualifier shall prove to have been false or misleading in any respect); provided that no Event of Default shall be deemed to have occurred under this Section 17(a)(iii) (*Events of Default and Remedies – Misrepresentation Default*) if and so long as (A) such misrepresentation is not intentional, (B) such misrepresentation is not a misrepresentation in respect of Section 12(g) (*Representations and Warranties of Obligors – Security Interests*), Section 12(h) (*Representations and Warranties of Obligors – No Debarment*), Section 12(i) (*Representations and Warranties of Obligors – No Lobbying*) or Section 12(k) (*Representations and Warranties of Obligors – Compliance with Laws*), (C) in the reasonable determination of the WIFIA Lender, such misrepresentation has not had, and would not reasonably be expected to result in, a Material Adverse Effect, (D) in the reasonable determination of the WIFIA Lender, the underlying issue giving rise to the misrepresentation is capable of being cured and (E) the underlying issue giving rise to the misrepresentation is cured by such Obligor within thirty (30) days after the date on which such Obligor first became aware (or reasonably should have become aware) of such misrepresentation.

(iv) Acceleration of Obligations. Any acceleration shall occur of the maturity of any Obligation, or any such Obligation shall not be paid in full upon the final maturity thereof.

(v) Enforcement of Related Documents. The holder(s) of Obligations under a Related Document exercises remedies permitted thereunder for an event of default that has occurred and is continuing (and has not been cured or waived by the expiration of any applicable grace period), in respect of the performance of any covenant, agreement or obligation of any Obligor under such Related Document.

(vi) Material Adverse Judgment. Any final, non-appealable judgment related to the Net Revenues, the Authority Revenues, either System or the Project shall be entered against any Obligor that results in the impairment of (A) any Obligor's ability to comply with any of such Person's payment obligations under any other WIFIA Loan Document or (B) the existence, priority or perfection of the Borrower's security interest in the Net Revenues or the WIFIA Lender's security interest in the Authority Revenues, the Borrower's rights with respect to the WIFIA FAs or the WIFIA Debt Service Account.

(vii) Occurrence of Bankruptcy Related Event. A Bankruptcy Related Event shall occur.

(viii) Invalidity of WIFIA Loan Documents. (A) Any WIFIA Loan Document ceases to be in full force and effect (other than as a result of the termination thereof in accordance with its terms) or becomes void, voidable, illegal or unenforceable, or any Obligor contests in any manner the validity or enforceability of any WIFIA Loan Document to which it is a party or denies it has any further liability under any WIFIA Loan Document to which it is a party, or purports to revoke, terminate or rescind any WIFIA Loan Document to which it is a party; (B) either WIFIA FA ceases (other than as expressly permitted thereunder) to be effective or to grant a valid and binding security interest on any material portion of either Member's Net Revenues, and with the priority purported to be created thereby; (C) this Agreement ceases to be effective or to grant a valid and binding security interest on any material portion of the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs or the WIFIA Debt Service Account, other than as a result of actions or a failure to act by, and within the control of, the WIFIA Lender, and with the priority purported to be created thereby; or (D) any event occurs that results in the impairment in the validity, enforceability, perfection or priority of (1) the Borrower's Lien on the Net Revenues or (2) the WIFIA Lender's Lien on the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs or the WIFIA Debt Service Account.

(ix) Development Default. A Development Default shall occur.

(b) Upon (i) the occurrence of any Bankruptcy Related Event or (ii) the acceleration of any amounts under either WIFIA FA, all obligations of the WIFIA Lender hereunder with respect to the disbursement of any undisbursed amounts of the WIFIA Loan shall automatically be deemed terminated, and the Outstanding WIFIA Loan Balance, together with all interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under this Agreement and the other WIFIA Loan Documents, shall automatically become immediately due and payable, without presentment, demand, notice, declaration, protest or other requirements of any kind, all of which are hereby expressly waived.

(c) Upon the occurrence of any Event of Default, the WIFIA Lender, by written notice to the Obligors, may exercise any or all of the following remedies:

(i) the WIFIA Lender may suspend or terminate all of its obligations hereunder with respect to the disbursement of any undisbursed amounts of the WIFIA Loan;

(ii) the WIFIA Lender may apply the Default Rate provisions of Section 6 (*Interest Rate*);

(iii) the WIFIA Lender may suspend or debar any Obligor from further participation in any Government program administered by the WIFIA Lender and notify other departments and agencies of such default;

(iv) the WIFIA Lender shall be entitled and empowered to institute against an Obligor any actions or proceedings at law or in equity for the collection of any sums due and unpaid by such Obligor hereunder or under the other WIFIA Loan Documents, and may prosecute any such judgment or final decree against such Obligor and collect in the manner provided by law out of the property of such Obligor the moneys adjudged or decreed to be payable, and the WIFIA Lender shall have all of the rights and remedies of a creditor and may take such other actions at law or in equity against an Obligor as may appear necessary or desirable to collect all amounts payable by such Obligor under this Agreement or the other WIFIA Loan Documents then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of such Obligor under this Agreement or the other WIFIA Loan Documents, including directing the Borrower to exercise any rights or remedies under either WIFIA FA; and

(v) the WIFIA Lender may declare the Outstanding WIFIA Loan Balance to be, and the same shall thereupon forthwith become, immediately due and payable, together with the interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under this Agreement and the other WIFIA Loan Documents, all without presentment, demand, notice, declaration, protest or other requirements of any kind, all of which are hereby expressly waived.

(d) Notwithstanding anything to the contrary set forth in any WIFIA Loan Document, the Borrower shall not have the right to (i) accelerate the Authority Bond Payments or (ii) exercise any other rights or remedies under either WIFIA FA following the occurrence of an “Event of Default” under and as defined in such WIFIA FA without the prior written direction of the WIFIA Lender.

(e) No action taken pursuant to this Section 17 (*Events of Default and Remedies*) shall relieve any Obligor from its obligations pursuant to this Agreement or the other WIFIA Loan Documents, all of which shall survive any such action.

ARTICLE VII MISCELLANEOUS

Section 18. Disclaimer of Warranty. The WIFIA Lender makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for a particular purpose or fitness for use of the Project or any portion thereof or any other warranty with respect thereto. In no event shall the WIFIA Lender be liable for any incidental, indirect, special or consequential damages incidental to or arising out of this Agreement or the System (including the Project) or the existence, furnishing, functioning or use of the Project or any item or products or services provided for in this Agreement.

Section 19. No Personal Recourse. No official, employee or agent of the WIFIA Lender or any Obligor or any Person executing this Agreement or any of the other WIFIA Loan Documents shall be personally liable on this Agreement or such other WIFIA Loan Documents by reason of the issuance, delivery or execution hereof or thereof.

Section 20. No Third-Party Rights. The parties hereby agree that this Agreement creates no third-party rights against any Obligor, the Government, or the WIFIA Lender, solely by virtue of the WIFIA Loan, and each Obligor agrees to indemnify on a joint and several basis and hold the WIFIA Lender, the Servicer (if any), the Administrator, and the Government harmless, to the extent permitted by law and in accordance with Section 32 (*Indemnification*), from any lawsuit or claim arising in law or equity solely by reason of the WIFIA Loan, and that no third-party creditor of any Obligor shall have any right against the WIFIA Lender with respect to the WIFIA Loan made pursuant to this Agreement.

Section 21. Obligors' Authorized Representatives. Each Obligor shall at all times have appointed an authorized representative by designating such Person or Persons from time to time to act on such Obligor's behalf pursuant to a written certificate furnished to the WIFIA Lender and the Servicer, if any, containing the specimen signature or signatures of such Person or Persons and signed by the Borrower.

Section 22. WIFIA Lender's Authorized Representative. The WIFIA Lender hereby appoints the Director of the WIFIA Program, whose notice details are set forth below in Section 31 (*Notices*), to serve as the WIFIA Lender's Authorized Representative under this Agreement until such time as a successor or successors shall have been appointed. Thereafter, the successor in office shall serve as the WIFIA Lender's Authorized Representative. The WIFIA Lender shall provide notice to the Obligors within a reasonable time period following the succession.

Section 23. Servicer. The WIFIA Lender may from time to time designate another entity or entities to perform, or assist the WIFIA Lender in performing, the duties of the Servicer or specified duties of the WIFIA Lender under this Agreement and the WIFIA Bond. The WIFIA Lender shall give the Obligors written notice of the appointment of any successor or additional Servicer and shall enumerate the duties or any change in duties to be performed by any Servicer. Any references in this Agreement to the WIFIA Lender shall be deemed to be a reference to the Servicer with respect to any duties which the WIFIA Lender shall have delegated to such Servicer. The WIFIA Lender may at any time assume the duties of any Servicer under this Agreement and the WIFIA Bond. Each Obligor shall cooperate and respond to any reasonable request of the Servicer for information, documentation or other items reasonably necessary for the performance by the Servicer of its duties hereunder.

Section 24. Amendments and Waivers. No amendment, modification, termination, or waiver of any provision of this Agreement or the WIFIA Bond shall in any event be effective without the prior written consent of each of the parties hereto.

Section 25. Governing Law. This Agreement shall be governed by the federal laws of the United States of America if and to the extent such federal laws are applicable and the internal laws of the State, if and to the extent such federal laws are not applicable.

Section 26. Severability. In case any provision in or obligation under this Agreement shall be invalid, illegal, or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

Section 27. Successors and Assigns. This Agreement shall be binding upon the parties hereto and their respective permitted successors and assigns and shall inure to the benefit of the parties hereto and their permitted successors and assigns. Neither the rights or obligations of any Obligor hereunder or under the WIFIA Bond nor any interest herein or therein may be assigned or delegated by such Obligor without the prior written consent of the WIFIA Lender.

Section 28. Remedies Not Exclusive. No remedy conferred herein or in the WIFIA Bond or reserved to the WIFIA Lender is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the WIFIA Bond or now or hereafter existing at law or in equity or by statute.

Section 29. Delay or Omission Not Waiver. No delay or omission of the WIFIA Lender to exercise any right or remedy provided hereunder or under the WIFIA Bond upon a default of any Obligor (except a delay or omission pursuant to a written waiver) shall impair any such right or remedy or constitute a waiver of any such default or acquiescence therein. Every right and remedy given by this Agreement or the WIFIA Bond or by law to the WIFIA Lender may be exercised from time to time, and as often as may be deemed expedient by the WIFIA Lender.

Section 30. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. Electronic delivery of an executed counterpart of a signature page of this Agreement or of any document or instrument delivered in connection herewith in accordance with Section 31 (*Notices*) shall be effective as delivery of an original executed counterpart of this Agreement or such other document or instrument, as applicable.

Section 31. Notices. Notices hereunder shall be (a) in writing, (b) effective as provided below and (c) given by (i) nationally recognized courier service, (ii) hand delivery, or (iii) email, in each case to:

<u>If to WIFIA Lender:</u>	Environmental Protection Agency WJC-W 6201A 1200 Pennsylvania Avenue NW Washington, D.C. 20460 Attention: WIFIA Director Email: WIFIA_Portfolio@epa.gov
<u>If to Borrower:</u>	Daly City Joint Powers Financing Authority 333 90 th Street Daly City, California 94015 Attention: General Manager Email: tpiccolotti@dalycity.org
<u>If to City:</u>	City of Daly City 333 90 th Street, Daly City, California 94015 Attention: City Manager Email: tpiccolotti@dalycity.org
<u>If to District:</u>	North San Mateo Sanitation District 333 90 th Street Daly City, California Attention: General Manager Email: tpiccolotti@dalycity.org

Unless otherwise instructed by the WIFIA Lender’s Authorized Representative, all notices to the WIFIA Lender should be made by email to the email address noted above for the WIFIA Lender. Notices required to be provided herein shall be provided to such different addresses or to such further parties as may be designated from time to time by the applicable Authorized Representative, with respect to notices to the applicable Obligor, or by the WIFIA Lender’s Authorized Representative, with respect to notices to the WIFIA Lender or the Servicer. Each such notice, request or communication shall be effective (A) if delivered by hand or by nationally recognized courier service, when delivered at the address specified in this Section 31 (*Notices*) (or in accordance with the latest unrevoked written direction from the receiving party) and (B) if given by email, when such email is delivered to the address specified in this Section 31 (*Notices*) (or in accordance with the latest unrevoked written direction from the receiving party); provided that notices received on a day that is not a Business Day or after 5:00 p.m. Eastern Time on a Business Day will be deemed to be effective on the next Business Day.

Section 32. Indemnification. Each Obligor shall, to the extent permitted by law, indemnify on a joint and several basis the WIFIA Lender and any official, employee, agent, advisor or representative of the WIFIA Lender (each such Person being herein referred to as an “**Indemnatee**”) against, and hold each Indemnatee harmless from, any and all losses, claims, damages, liabilities, fines, penalties, costs and expenses (including the fees, charges and disbursements of any counsel for any Indemnatee and the costs of environmental remediation), whether known, unknown, contingent or otherwise, incurred by or asserted against any Indemnatee

arising out of, in connection with, or as a result of (a) the execution, delivery and performance of this Agreement or any of the other Related Documents, (b) the WIFIA Loan or the use of the proceeds thereof, or (c) the violation of any law, rule, regulation, order, decree, judgment or administrative decision relating to the environment, the preservation or reclamation of natural resources, the management, release or threatened release of any hazardous material or to health and safety matters; in each case arising out of or in direct relation to the Project; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities, fines, penalties, costs or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee. In case any action or proceeding is brought against an Indemnitee by reason of any claim with respect to which such Indemnitee is entitled to indemnification hereunder, each Obligor shall be entitled, at its expense, to participate in the defense thereof; provided that such Indemnitee has the right to retain its own counsel, at such Obligor's expense, and such participation by such Obligor in the defense thereof shall not release such Obligor of any liability that it may have to such Indemnitee. Any Indemnitee against whom any indemnity claim contemplated in this Section 32 (*Indemnification*) is made shall be entitled, after consultation with each Obligor and upon consultation with legal counsel wherein such Indemnitee is advised that such indemnity claim is meritorious, to compromise or settle any such indemnity claim. Any such compromise or settlement shall be binding upon each Obligor for purposes of this Section 32 (*Indemnification*). Nothing herein shall be construed as a waiver of any legal immunity that may be available to any Indemnitee. To the extent permitted by applicable law, no Obligor nor the WIFIA Lender shall assert, and each Obligor and the WIFIA Lender hereby waives, any claim against any Indemnitee or any Obligor, respectively, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any of the other Related Documents, the other transactions contemplated hereby and thereby, the WIFIA Loan or the use of the proceeds thereof; provided that nothing in this sentence shall limit any Obligor's indemnity obligations to the extent such damages are included in any third-party claim in connection with which an Indemnitee is entitled to indemnification hereunder. All amounts due to any Indemnitee under this Section 32 (*Indemnification*) shall be payable promptly upon demand therefor. The obligations of each Obligor under this Section 32 (*Indemnification*) shall survive the payment or prepayment in full or transfer of the WIFIA Loan, the enforcement of any provision of this Agreement or the other Related Documents, any amendments, waivers (other than amendments or waivers in writing with respect to this Section 32) (*Indemnification*) or consents in respect hereof or thereof, any Event of Default, and any workout, restructuring or similar arrangement of the obligations of any Obligor hereunder or thereunder.

Section 33. Sale of WIFIA Loan. The WIFIA Lender shall not sell the WIFIA Loan at any time prior to the later of (a) the Substantial Completion Date and (b) other than with respect to a sale or transfer to another Governmental Entity within the Federal Government, the Final Disbursement Date. After such date, the WIFIA Lender may sell the WIFIA Loan to another entity or reoffer the WIFIA Loan into the capital markets only in accordance with the provisions of this Section 33 (*Sale of WIFIA Loan*). Such sale or reoffering shall be on such terms as the WIFIA Lender shall deem advisable. However, in making such sale or reoffering the WIFIA Lender shall not change the terms and conditions of the WIFIA Loan without the prior written consent of each Obligor in accordance with Section 24 (*Amendments and Waivers*). Prior to any sale or reoffering of the WIFIA Loan, the WIFIA Lender shall provide reasonable written notice to the Obligors of

the WIFIA Lender's intention to consummate such a sale or reoffering. The provision of any notice pursuant to this Section 33 (*Sale of WIFIA Loan*) shall neither (x) obligate the WIFIA Lender to sell nor (y) provide the Obligors with any rights or remedies in the event the WIFIA Lender, for any reason, does not sell the WIFIA Loan.

Section 34. Effectiveness. This Agreement shall be effective on the Effective Date.

Section 35. Termination. This Agreement shall terminate upon the irrevocable payment in full in immediately available funds by the Borrower of the Outstanding WIFIA Loan Balance, together with all accrued interest, fees and expenses with respect thereto; provided that the indemnification requirements of Section 32 (*Indemnification*), the reporting and record keeping requirements of Section 14(p) (*Affirmative Covenants – Access; Records*) and the payment requirements of Section 10 (*Fees and Expenses*) shall survive the termination of this Agreement as provided in such sections.

Section 36. Integration. This Agreement, together with the other WIFIA Loan Documents, constitutes the entire contract between the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

Section 37. City Role. The District acknowledges that, pursuant to Section 7 of the MOA, the City is designated and serves as manager with respect to the Project. Consistent with such role, the District hereby authorizes the City to exercise certain rights and perform certain obligations on its behalf under this Agreement as expressly provided herein.

[The remainder of this page intentionally left blank; signature pages immediately follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

**DALY CITY JOINT POWERS FINANCING
AUTHORITY**, by its authorized representative

By: _____
Name:
Title:

CITY OF DALY CITY,
by its authorized representative

By: _____
Name:
Title:

Approved as to form

City Attorney

**NORTH SAN MATEO COUNTY
SANITATION DISTRICT**, by its authorized
representative

By: _____
Name: _____
Title: _____

Approved as to form

[General Counsel]

**UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY**, acting by and through
the Administrator of the United States
Environmental Protection Agency

By: _____
Name: Lee M. Zeldin
Title: Administrator

SCHEDULE I
PROJECT BUDGET

SOURCES OF FUNDS	AMOUNT (\$ USD)	PERCENTAGE (%)
WIFIA Loan	\$33,890,228	21.7%
SRF Loan	62,888,288	40.3%
Contributions – CalTrans	3,440,000	2.2%
Contributions – San Francisco Public Utilities Commission	35,000,000	22.4%
Contributions – San Mateo County	15,000,000	9.6%
Grants	5,959,752	3.8%
Total Sources of Funds	\$156,178,268	100.0%

USES OF FUNDS	AMOUNT (\$ USD)	PERCENTAGE (%)
Project Construction	\$141,300,758	90.5%
Contingency	14,130,076	9.0%
Financing Costs	747,434	0.5%
Total Uses of Funds	\$156,178,268	100.0%
Total Eligible Project Costs	\$156,178,268	100.0%
Total Project Costs	\$156,178,268	100.0%

SCHEDULE II
CONSTRUCTION SCHEDULE²

Project Element	Design Completion	Advertise Bids	Permit Issuance	Construction Start	Construction End
Vista Grande Drainage Improvement Project	August 2024	August 2025	Ongoing	January 2026	August 2029

² **Note to Draft:** City to confirm construction schedule as of the Effective Date.

SCHEDULE III
EXISTING INDEBTEDNESS

A. Parity Obligations of the City

	Agreement/Series	Outstanding Principal³
1.	Financing Agreement, dated as of September 12, 2024, by and between the Borrower and the City, related to the California State Water Resources Control Board, Construction Loan Agreement D2401002, Project No. 8502-110 Outstanding Principal assumes the loan was fully drawn at closing.	\$30,960,727.31

B. Parity Obligations of the District

	Agreement/Series	Outstanding Principal⁴
1.	Financing Agreement, dated as of September 12, 2024, by and between the Borrower and the District, related to the California State Water Resources Control Board, Construction Loan Agreement D2401002, Project No. 8502-110 Outstanding Principal assumes the loan was fully drawn at closing.	\$31,929,232.69

C. Subordinated Obligations of the City

None.

D. Subordinated Obligations of the District

None.

E. Indebtedness of the Borrower

	Agreement/Series	Outstanding Principal⁵
1.	Construction Loan Agreement D2401002, Project No. 8502-110, dated as of May 19, 2025, by and among the California State Water Resources Control Board, the Borrower, the City and the District	\$62,889,960

³ **Note to Draft:** Borrower to confirm outstanding principal amount as of the Effective Date.

⁴ **Note to Draft:** Borrower to confirm outstanding principal amount as of the Effective Date.

⁵ **Note to Draft:** Borrower to confirm outstanding principal amount as of the Effective Date.

	Outstanding Principal assumes the loan was fully drawn at closing.	
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SCHEDULE IV

FLOWS OF FUNDS

Part A. City Flow of Funds

Money in the Water Fund, after paying as they become due and payable all Maintenance and Operation Costs, shall be applied by the City to pay when due the following amounts in the following order of priority:

(a) On or before each Authority Bond Payment Date, the City shall, from amounts in the Water Fund, transfer to the Authority for deposit into the WIFIA Debt Service Account (as defined in the WIFIA Loan Agreement) an amount that, together with amounts held in the WIFIA Debt Service Account for that purpose, is equal to the interest amount becoming due and payable on such Authority Bond Payment Date, as set forth in Appendix B (*Authority Bond Payment Schedule – City of Daly City*) of the WIFIA City FA.

(b) On or before each Authority Bond Payment Date, the City shall, from amounts in the Water Fund, transfer to the Authority for deposit into the WIFIA Debt Service Account an amount that, together with amounts held in the WIFIA Debt Service Account for that purpose, is equal to the principal amount becoming due and payable on such Authority Bond Payment Date, as set forth in Appendix B (*Authority Bond Payment Schedule – City of Daly City*) of the WIFIA City FA.

(c) On or before each Authority Bond Payment Date, the City shall, from moneys in the Water Fund, pay to the party entitled thereto or transfer or cause to be transferred to any applicable debt service or other payment fund or account for any Parity Obligations, without preference or priority to the transfers made pursuant to the preceding clauses (a) and (b), on the dates specified in the Issuing Instrument relating to such Parity Obligations, the sum or sums required to be paid or deposited in such debt service or other payment fund or account with respect to principal, premium, if any, and interest on Parity Obligations.

(d) On or before each Authority Bond Payment Date, the City shall, from amounts in the Water Fund in excess of the sums required to make the transfers specified in the foregoing clauses (a), (b) and (c), transfer or cause to be transferred to any applicable debt service reserve fund for any Parity Obligation other than the WIFIA Bond, the sum or sums required to be paid or deposited in such debt service reserve fund in accordance with the terms of such Parity Obligation..

(e) On or before each Authority Bond Payment Date, the City shall, from amounts in the Water Fund in excess of the sums required to make the transfers specified in foregoing clauses (a), (b), (c) and (d), pay to the party entitled thereto or transfer or cause to be transferred to any applicable debt service or other payment fund or account for any Subordinated Obligations, on the dates specified in the Issuing Instrument relating to such Subordinated Obligations, the sum or sums required to be paid or deposited in such debt service or other payment fund or account with respect to principal, premium, if any, and interest on Subordinated Obligations.

(f) All money on deposit in the Water Fund in excess of the sums required to be set aside on or before each Authority Bond Payment Date by the provisions of the foregoing clauses (a), (b), (c), (d) and (e) shall be available for (i) the payment of any unsecured obligations (including, but not limited to, any amounts payable by the City under Section 10(a), Sections 14(p)(i) and 14(p)(ii), and Section 32 of the WIFIA Loan Agreement) (ii) the acquisition and construction of improvements to the Water Enterprise, (iii) any transfers permitted under this Agreement to the Rate Stabilization Fund and (iv) any other lawful purpose of the City (provided that the foregoing clause (iv) shall not supersede, modify or otherwise affect the City's obligations pursuant to Section 15(g) of the WIFIA Loan Agreement).

Part B. District Flow of Funds

Money in the Sewer Fund, after paying as they become due and payable all Maintenance and Operation Costs, shall be applied by the District to pay when due the following amounts in the following order of priority:

(a) On or before each Authority Bond Payment Date, the District shall, from amounts in the Sewer Fund, transfer to the Authority for deposit into the WIFIA Debt Service Account (as defined in the WIFIA Loan Agreement) an amount that, together with amounts held in the WIFIA Debt Service Account for that purpose, is equal to the interest amount becoming due and payable on such Authority Bond Payment Date, as set forth in Appendix B (*Authority Bond Payment Schedule – North San Mateo County Sanitation District*) of the WIFIA District FA.

(b) On or before each Authority Bond Payment Date, the District shall, from amounts in the Sewer Fund, transfer to the Authority for deposit into the WIFIA Debt Service Account an amount that, together with amounts held in the WIFIA Debt Service Account for that purpose, is equal to the principal amount becoming due and payable on such Authority Bond Payment Date, as set forth in Appendix B (*Authority Bond Payment Schedule – North San Mateo County Sanitation District*) of the WIFIA District FA.

(c) On or before each Authority Bond Payment Date, the District shall, from moneys in the Sewer Fund, pay to the party entitled thereto or transfer or cause to be transferred to any applicable debt service or other payment fund or account for any Parity Obligations, without preference or priority to the transfers made pursuant to the preceding clauses (a) and (b), on the dates specified in the Issuing Instrument relating to such Parity Obligations, the sum or sums required to be paid or deposited in such debt service or other payment fund or account with respect to principal, premium, if any, and interest on Parity Obligations.

(d) On or before each Authority Bond Payment Date, the District shall, from amounts in the Sewer Fund in excess of the sums required to make the transfers specified in the foregoing clauses (a), (b) and (c), transfer or cause to be transferred to any applicable debt service reserve fund for any Parity Obligation other than the WIFIA Bond, the sum or sums required to be paid or deposited in such debt service reserve fund in accordance with the terms of such Parity Obligation..

(e) On or before each Authority Bond Payment Date, the District shall, from amounts in the Sewer Fund in excess of the sums required to make the transfers specified in

foregoing clauses (a), (b), (c) and (d), pay to the party entitled thereto or transfer or cause to be transferred to any applicable debt service or other payment fund or account for any Subordinated Obligations, on the dates specified in the Issuing Instrument relating to such Subordinated Obligations, the sum or sums required to be paid or deposited in such debt service or other payment fund or account with respect to principal, premium, if any, and interest on Subordinated Obligations.

(f) All money on deposit in the Sewer Fund in excess of the sums required to be set aside on or before each Authority Bond Payment Date by the provisions of the foregoing clauses (a), (b), (c), (d) and (e) shall be available for (i) the payment of any unsecured obligations (including, but not limited to, any amounts payable by the District under Section 10(a), Sections 14(p)(i) and 14(p)(ii), and Section 32 of the WIFIA Loan Agreement) (ii) the acquisition and construction of improvements to the Sewer Enterprise, (iii) any transfers permitted under this Agreement to the Rate Stabilization Fund and (iv) any other lawful purpose of the District (provided that the foregoing clause (iv) shall not supersede, modify or otherwise affect the District's obligations pursuant to Section 15(g) of the WIFIA Loan Agreement).

SCHEDULE V

CONSTRUCTION CONTRACTS

A. Existing Construction Contracts

Contract Name	Effective Date	Construction Contractor	Amount	Description
[Went out for bid in October; bids due in January 2026.] ⁶				

B. Additional Construction Contracts

None.

⁶ **Note to draft:** To be updated based on the Effective Date.

SCHEDULE VI
WIFIA LOAN AMORTIZATION SCHEDULE⁷

⁷ **Note to Draft:** To be provided by the WIFIA Lender on the Effective Date. The debt service schedule will include, for reference purposes, columns reflecting the portions of debt service payments allocated to each Member through the Authority Bond Payments, which will also be provided for under the WIFIA FAs.

EXHIBIT A
FORM OF WIFIA BOND
DALY CITY JOINT POWERS FINANCING AUTHORITY
VISTA GRANDE DRAINAGE BASIN IMPROVEMENT PROJECT
(WIFIA – N19124CA)

Maximum Principal Amount: \$33,890,228

Effective Date: [●]

Interest Rate Per Annum: [●]

Due: July 1, 2064

DALY CITY JOINT POWERS FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under and by virtue of the laws of the State of California (the “**Borrower**”), for value received, hereby promises to pay to the order of the **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, acting by and through the Administrator of the United States Environmental Protection Agency, or its assigns (the “**WIFIA Lender**”), the lesser of (x) the Maximum Principal Amount set forth above and (y) the aggregate unpaid principal amount of all disbursements (the “**Disbursements**”) made by the WIFIA Lender (such lesser amount, together with any interest that is capitalized and added to principal in accordance with the provisions of the WIFIA Loan Agreement (as defined below), being hereinafter referred to as the “**Outstanding Principal Sum**”), together with accrued and unpaid interest (including, if applicable, interest at the Default Rate, as defined in the WIFIA Loan Agreement (as defined below)) on the Outstanding Principal Sum and all fees, costs and other amounts payable in connection therewith, as more fully described in the WIFIA Loan Agreement. The principal hereof shall be payable in the manner and at the place provided in the WIFIA Loan Agreement in accordance with SCHEDULE VI (*WIFIA Loan Amortization Schedule*) to the WIFIA Loan Agreement, as revised from time to time in accordance with the WIFIA Loan Agreement, until paid in full (which SCHEDULE VI, as modified from time to time in accordance with the terms of the WIFIA Loan Agreement, is incorporated in and is a part of this WIFIA Bond). The WIFIA Lender is hereby authorized to modify the WIFIA Loan Amortization Schedule included in SCHEDULE VI to the WIFIA Loan Agreement from time to time in accordance with the terms of the WIFIA Loan Agreement to reflect the amount of each disbursement made thereunder and the date and amount of principal or interest paid by the Borrower thereunder. Absent manifest error, the WIFIA Lender’s determination of such matters as set forth on SCHEDULE VI to the WIFIA Loan Agreement shall be conclusive evidence thereof; provided that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower’s obligations hereunder or under any other WIFIA Loan Document.

Payments hereon are to be made in accordance with Section 8(d) (*Payment of Principal and Interest – Manner of Payment*) and Section 31 (*Notices*) of the WIFIA Loan Agreement as the

same become due. Principal of and interest on this WIFIA Bond shall be made in Dollars and in immediately available funds (without counterclaim, offset or deduction). Any payment in respect of the WIFIA Bond shall be treated as a payment in respect of the WIFIA Loan and any prepayment of principal in respect of the WIFIA Loan shall be treated as a redemption in respect of the WIFIA Bond. If the Final Maturity Date is adjusted in accordance with the WIFIA Loan Agreement, the due date of this WIFIA Bond shall be deemed to be amended to change the due date to such revised Final Maturity Date without any further action required on the part of the Borrower or the WIFIA Lender and such amendment shall in no way amend, modify or affect the other provisions of this WIFIA Bond without the prior written agreement of the WIFIA Lender. Any such amendment shall be reflected in a revised WIFIA Loan Amortization Schedule.

This WIFIA Bond has been executed pursuant to that certain WIFIA Loan Agreement, dated as of [●], 2026, among the WIFIA Lender, the Borrower, City of Daly City and North San Mateo County Sanitation District (the “**WIFIA Loan Agreement**”) and is issued to evidence the obligation of the Borrower under the WIFIA Loan Agreement to repay the loans made by the WIFIA Lender and any other payments of any kind required to be paid by the Borrower under the WIFIA Loan Agreement or the other WIFIA Loan Documents referred to therein. Reference is made to the WIFIA Loan Agreement for details relating to the Borrower’s obligations hereunder. All capitalized terms used in this WIFIA Bond and not defined herein shall have the meanings set forth in the WIFIA Loan Agreement.

This WIFIA Bond may be redeemed at the option of the Borrower in whole or in part (and, if in part, the principal installments and amounts thereof to be redeemed are to be determined in accordance with the WIFIA Loan Agreement; provided that such redemption payments shall be in principal amounts of at least \$1,000,000 or any integral multiple of \$1 in excess thereof), from time to time, but not more than annually, without penalty or premium, by paying to the WIFIA Lender all or part of the principal amount of the WIFIA Bond in accordance with the WIFIA Loan Agreement.

Payment of the obligations of the Borrower under this WIFIA Bond is secured pursuant to the WIFIA Loan Agreement.

Any delay on the part of the WIFIA Lender in exercising any right hereunder shall not operate as a waiver of any such right, and any waiver granted with respect to one default shall not operate as a waiver in the event of any subsequent default.

All acts, conditions and things required by the Constitution and laws of the State to happen, exist, and be performed precedent to and in the issuance of this WIFIA Bond have happened, exist and have been performed as so required. This WIFIA Bond is issued with the intent that the federal laws of the United States of America shall govern its construction to the extent such federal laws are applicable and the internal laws of the State shall govern its construction to the extent such federal laws are not applicable.

IN WITNESS WHEREOF, DALY CITY JOINT POWERS FINANCING AUTHORITY has caused this WIFIA Bond to be executed in its name and its seal to be affixed hereto and attested by its duly authorized officer, all as of the Effective Date of the WIFIA Bond set forth above.

**DALY CITY JOINT POWERS
FINANCING AUTHORITY,**
by its authorized representative

(SEAL)

By _____
Name: _____
Title: _____

ATTEST:

Secretary

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned hereby unconditionally sells, assigns and transfers unto

(Please insert Social Security or other identifying number of assignee(s)):

the within bond and all rights thereunder.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

EXHIBIT B-1

REQUISITION PROCEDURES AND FORM OF REQUISITION

This **Exhibit B-1** (*Requisition Procedures and Form of Requisition*) sets out the procedures which the Obligor (or the City on behalf of the Obligor) agree to follow in submitting Requisitions for the disbursement of WIFIA Loan proceeds in respect of the Eligible Project Costs incurred in connection with the Project. Section 1 (*General Requirements Definitions*) sets out the manner in which Requisitions are to be submitted and reviewed. Sections 2 (*Rejection*) through 4 (*Withholding*) set out the circumstances in which the WIFIA Lender may reject or correct Requisitions submitted by the Obligor (or the City on behalf of the Obligor) or withhold a disbursement. Each Obligor expressly agrees to the terms hereof, and further agrees that (a) the rights of the WIFIA Lender contained herein are in addition to (and not in lieu of) any other rights or remedies available to the WIFIA Lender under the WIFIA Loan Agreement, and (b) nothing contained herein shall be construed to limit the rights of the WIFIA Lender to take actions including administrative enforcement action and actions for breach of contract against any Obligor if it fails to carry out its obligations under the WIFIA Loan Agreement during the term thereof.

Section 1. General Requirements. All requests by the Obligor for the disbursement of WIFIA Loan proceeds shall be made by electronic mail or overnight delivery service by submission to the WIFIA Lender, in accordance with Section 31 (*Notices*) of the WIFIA Loan Agreement, of a Requisition, in form and substance satisfactory to the WIFIA Lender and completed and executed by each Authorized Representative. The form of Requisition is attached as **Appendix 1** (*Form of Requisition*) to this **Exhibit B-1** (*Requisition Procedures and Form of Requisition*).

Supporting documentation should be submitted with the Requisition. If the Borrower anticipates that it will draw down all or a portion of the proceeds of the WIFIA Loan to reimburse any Obligor for Eligible Project Costs paid by or on behalf of such Obligor prior to such disbursement of WIFIA Loan proceeds, whether paid from funds of such Obligor or proceeds of Obligations issued by the District, including for the purpose of paying or redeeming such Obligations, the Obligor (or the City on behalf of the Obligor) shall deliver appropriate documentation, including invoices and records, evidencing such incurred or paid Eligible Project Costs (the “**Eligible Project Costs Documentation**”). The Eligible Project Costs Documentation must provide sufficient detail to enable the WIFIA Lender to verify that such costs are Eligible Project Costs paid by the Obligor (or the City on behalf of the Obligor), in connection with the reimbursement of such Eligible Project Costs or for the purpose of paying or redeeming, in whole or part, the portion of any Interim Financing in respect of which the proceeds were used to pay such documented Eligible Project Costs. Each time the Obligor (or the City on behalf of the Obligor) deliver Eligible Project Costs Documentation to the WIFIA Lender and the Servicer (if any), the Obligor (or the City on behalf of the Obligor) shall also deliver to such entities a certificate, substantially in the form of **Exhibit B-2** (*Certification of Eligible Project Costs Documentation*) and duly executed by each Authorized Representative (or the City’s Authorized Representative on behalf of the Obligor). The WIFIA Lender shall review the Eligible Project Costs Documentation and the related certificate for compliance with WIFIA disbursement requirements, and any amounts approved by the WIFIA Lender as Eligible Project Costs will be

disbursed at such time as the Obligors (or the City on behalf of the Obligors) submit a Requisition in respect of such approved amounts.

The WIFIA Lender agrees to promptly send to the Obligors in accordance with Section 31 (*Notices*) of the WIFIA Loan Agreement, an acknowledgement of receipt of each Requisition in the form attached as **Appendix 2** (*[Approval/Disapproval] of the WIFIA Lender*) to this **Exhibit B-1** (*Requisition Procedures and Form of Requisition*) setting forth the date of receipt by the WIFIA Lender of such Requisition and setting forth the Business Day on which disbursement will be made absent denial by the WIFIA Lender. All disbursement requests must be received by the WIFIA Lender at or before 5:00 P.M. (EST) on the first (1st) Business Day of a calendar month in order to obtain disbursement by the fifteenth (15th) day of such calendar month or, if either such day is not a Business Day, the next succeeding Business Day. If a Requisition is approved by the WIFIA Lender, the WIFIA Lender will notify the Borrower of such approval and of the amount so approved.

Section 2. Rejection. A Requisition may be rejected in whole or in part by the WIFIA Lender if it is: (a) submitted without signature of any Authorized Representative; (b) submitted under signature of a Person other than such Authorized Representatives; (c) submitted after prior disbursement of all proceeds of the WIFIA Loan; (d) submitted without adequate Eligible Project Costs Documentation, including (i) copies of invoices and records evidencing the Eligible Project Costs, (ii) a summary of the progress of construction of the Project and a general description of the work done for which the funds being requisitioned are being applied (or a certification that no change has occurred since the date of the latest quarterly report provided pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*)), and (iii) a copy of the most recent update to either Member's risk register, if requested by the WIFIA Lender.

The WIFIA Lender will notify the Obligors of any Requisition so rejected, and the reasons therefor. Any Requisition rejected for the reasons specified above (other than clause (c) above) must be resubmitted in proper form in order to be considered for approval. If a Requisition exceeds the balance of the WIFIA Loan proceeds remaining to be disbursed, the request will be treated as if submitted in the amount of the balance so remaining, and the WIFIA Lender will so notify the Obligors.

Section 3. Correction. A Requisition containing an apparent mathematical error will be corrected by the WIFIA Lender, after telephonic or email notification to the Obligors, and will thereafter be treated as if submitted in the corrected amount.

Section 4. Withholding. The WIFIA Lender shall be entitled to withhold approval (in whole or in part) of any pending or subsequent requests for the disbursement of WIFIA Loan proceeds if: (a) a Default or an Event of Default shall have occurred and be continuing; (b) any Obligor (i) knowingly takes any action, or omits to take any action, amounting to fraud or violation of any applicable law, in connection with the transactions contemplated hereby; (ii) prevents or materially impairs the ability of the WIFIA Lender to monitor compliance by any Obligor with applicable law pertaining to the Project or with the terms and conditions of the WIFIA Loan Agreement; (iii) fails to observe or comply with any applicable law, or any term or condition of the WIFIA Loan Agreement; (iv) fails to satisfy the conditions set forth in Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) and Section 11(b) (*Conditions*

Precedent – Conditions Precedent to Disbursements) of the WIFIA Loan Agreement; or (v) fails to deliver Eligible Project Costs Documentation satisfactory to the WIFIA Lender at the times and in the manner specified by the WIFIA Loan Agreement; provided that in such case of clause (v), the WIFIA Lender may, in its sole discretion, partially approve a disbursement request in respect of any amounts for which adequate Eligible Project Costs Documentation has been provided and may, in its sole discretion, disburse in respect of such properly documented amounts.

APPENDIX 1 TO EXHIBIT B-1

FORM OF REQUISITION

United States Environmental Protection Agency
1200 Pennsylvania Avenue NW
WJC-W 6201A
Washington, D.C. 20460
Attention: WIFIA Director

Re: VISTA GRANDE DRAINAGE BASIN IMPROVEMENT PROJECT (WIFIA Ref N19124CA)

Ladies and Gentlemen:

Pursuant to Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) of the WIFIA Loan Agreement, dated as of [●], 2026 (the “**WIFIA Loan Agreement**”), by and among DALY CITY JOINT POWERS FINANCING AUTHORITY (the “**Borrower**”), CITY OF DALY CITY (the “**City**”), NORTH SAN MATEO SANITATION DISTRICT (the “**District**”) and the UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, acting by and through the Administrator (the “**WIFIA Lender**”), the Borrower hereby requests disbursement in the amount set forth below in respect of Eligible Project Costs paid or incurred by the Borrower or the Members (or the City on behalf of the Members). Capitalized terms used but not defined herein have the meaning set forth in the WIFIA Loan Agreement.

In connection with this Requisition each of the undersigned, as the Borrower’s Authorized Representative, the City’s Authorized Representative and the District’s Authorized Representative, respectively, hereby represents and certifies the following:

1.	Project name	Vista Grande Drainage Basin Improvement Project
2.	Borrower name	Daly City Joint Powers Financing Authority
3.	WIFIA reference number	N18107CA
4.	Requisition number	[]
5.	Requested disbursement amount	\$[]
6.	Requested disbursement date (the “Disbursement Date”)	[]
7.	Total amounts previously disbursed under the WIFIA Loan Agreement	\$[]
8.	Wire instructions	[]

9. The amounts hereby requisitioned are being requested with respect to [Eligible Project Costs previously submitted to and approved by the WIFIA Lender in accordance with the WIFIA Loan Agreement] [Eligible Project Costs which have not and will not be otherwise submitted to the WIFIA Lender for approval].

10. The amounts hereby requisitioned have been paid or incurred and approved for payment by or on behalf of the Obligors for Eligible Project Costs and have not been paid for or reimbursed by any previous disbursement from (a) WIFIA Loan proceeds or (b) any other source of funding for the Project as identified in the Project Budget.
11. No portion of the amounts requisitioned will be applied to pay for Eligible Project Costs that have been previously paid, or are expected to be paid, with proceeds of any Interim Financing[.][, except as set forth below:

Source of Interim Financing	Amount of Interim Financing
[]	\$[]
Total Amount of Interim Financing	\$[]

The portion of the amount requisitioned equal to the total amount of the Interim Financing set forth above will be promptly applied by the applicable Obligor to either (a) discharge a like principal amount of such Interim Financing or (b) reimburse the applicable fund or account from which the proceeds of such Interim Financing were spent.]

12. The aggregate amount of all disbursements of the WIFIA Loan (including the amount requested under this Requisition) does not exceed (a) the maximum principal amount of the WIFIA Loan or (b) the amount of Eligible Project Costs paid or incurred by the Obligors (or the City on behalf of the Obligors).
13. The Obligors have secured financing and appropriated cash, and have developed a feasible plan of finance to secure future financing and appropriate future cash amounts, for the Project, which together with funds that remain available and not yet drawn under the WIFIA Loan, will be sufficient to pay the reasonably anticipated remaining Total Project Costs.
14. The total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan, does not exceed eighty percent (80%) of Total Project Costs.
15. The Obligors (or the City on behalf of the Obligors) have all Governmental Approvals necessary as of the date hereof and as of the Disbursement Date (immediately after giving effect to the above-requested disbursement of WIFIA Loan proceeds), for the development, construction, operation and maintenance of the Project and each such Governmental Approval has been issued and is in full force and effect (and is not subject to any notice of violation, breach or revocation).
16. Each of the insurance policies maintained by the Obligors pursuant to Section 14(e) (*Affirmative Covenants – Operation and Maintenance of the Systems; Insurance*) of the WIFIA Loan Agreement is in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider.
17. As of the date hereof and on the Disbursement Date (immediately after giving effect to the above-requested disbursement of WIFIA Loan proceeds), (a) no Default or Event of

Default, and no event of default under any other Related Document and (b) no event that, with the giving of notice or the passage of time or both, would constitute an event of default under any Related Document, in each case, has occurred and is continuing. No Material Adverse Effect, or any event or condition that could reasonably be expected to have a Material Adverse Effect, has occurred or arisen since the Effective Date.

18. Each Obligor, and each of each Obligor's contractors and subcontractors at all tiers with respect to the Project, has complied with all applicable laws, rules, regulations and requirements, including 40 U.S.C. §§ 3141-3144, 3146, and 3147 (relating to Davis-Bacon Act requirements) (and regulations relating thereto) and 33 U.S.C. § 3914 (relating to American iron and steel products). Supporting documentation, such as certified payroll records and certifications for all iron and steel products used for the Project, are being maintained and are available for review upon request by the WIFIA Lender.
19. The representations and warranties of each Obligor set forth in the WIFIA Loan Agreement and in each other Related Document are true and correct as of the date hereof and as of the Disbursement Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties are true and correct as of such earlier date).
20. Each Related Document that has been delivered by any Obligor to the WIFIA Lender pursuant to Section 11(b)(iii) (*Conditions Precedent – Conditions Precedent to Disbursements*) is complete, fully executed and in full force and effect.
21. The current estimated percentage of physical completion of the Project is []%. Each Member is in compliance with Section 16(d) (*Reporting Requirements – Construction Reporting*) and no change has occurred since the date of the most recently delivered quarterly construction progress report that could reasonably be expected to cause a Material Adverse Effect.
22. The Obligors have delivered all required deliverables under and in compliance with the requirements of Section 16 (*Reporting Requirements*), except as has been otherwise agreed by the WIFIA Lender.
23. All documentation evidencing the Eligible Project Costs to be reimbursed to the Borrower or to be used to pay Eligible Project Costs previously paid from proceeds of any Interim Financing by the above-requested disbursement has been delivered by the Obligors (or the City on behalf of the Obligors) to the WIFIA Lender at the times and in the manner specified by the WIFIA Loan Agreement, including the details set forth below:

								WIFIA USE ONLY	
Vendor or Contractor Name ²⁵ F ⁸	Invoice Number ² F ⁹	Invoice Date	Payment Date	Invoice Amount	WIFIA Requested Amount ²⁷ F ¹⁰	Activity Type ²⁸ F ¹¹	Description of Activity ²⁹ F ¹²	Approved Amount	Notes

The undersigned acknowledge that if any Obligor makes a false, fictitious, or fraudulent claim, statement, submission, or certification to the Government in connection with the Project, the Government reserves the right to impose on such Obligor the penalties of 18 U.S.C. § 1001, to the extent the Government deems appropriate.

⁸ If seeking reimbursement for internal costs, enter “Internally financed activities.”

⁹ Vendor’s number indicated on the invoice sent to the applicable Obligor.

¹⁰ If the amount requested for reimbursement by the WIFIA Lender is less than the total amount of the invoice, include an explanation for the difference.

¹¹ Specify whether activity is: (a) **Development phase activity**, which includes planning, preliminary engineering, design, environmental review, revenue forecasting and other pre-construction activities; (b) **Construction**, which includes construction, reconstruction, rehabilitation and replacement activities; (c) **Acquisition of real property**, which includes acquiring an interest in real property, environmental mitigation, construction contingencies and acquisition of equipment; (d) **Carrying costs**, including capitalized interest, as necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses and other carrying costs during construction; (e) **WIFIA fees**, including for application and credit processing; or (f) **Other**, with an explanation in the “Description of Activity” column.

¹² Provide a brief description of the activities included in the invoice for which WIFIA funds are being requested and any other notes that will aid in the review of the disbursement request.

Date:

DALY CITY JOINT POWERS FINANCING
AUTHORITY,

By its authorized representative

By: _____

Name:

Title: _____

Date:

CITY OF DALY CITY

By its authorized representative

By: _____

Name:

Title: _____

Date:

NORTH SAN MATEO SANITATION DISTRICT,

By its authorized representative

By: _____

Name:

Title: _____

APPENDIX 2 TO EXHIBIT B-1

[APPROVAL/DISAPPROVAL] OF THE WIFIA LENDER (To be delivered to the Obligors)

Requisition Number [] is [approved in the amount of \$[]]
[approved in part in the amount of \$[]] [not approved, for the reasons set forth in Annex
A attached hereto,]¹³ by the WIFIA Lender (as defined herein) pursuant to Section 4
(*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) of the WIFIA Loan
Agreement, dated as of [●], 2026, by and among Daly City Joint Powers Financing Authority (the
“**Borrower**”), City of Daly City (the “**City**”), North San Mateo Sanitation District (the “**District**”
and together with the Borrower and the City, the “**Obligors**”) and the United States Environmental
Protection Agency, acting by and through the Administrator (the “**WIFIA Lender**”).

Any determination, action or failure to act by the WIFIA Lender with respect to the
Requisition set forth above, including any withholding of a disbursement, shall be at the WIFIA
Lender’s sole discretion, and in no event shall the WIFIA Lender be responsible for or liable to
any Obligor for any and/or all consequence(s) which are the result thereof.

**UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY**, acting by and through
the Administrator

By: _____
WIFIA Lender’s Authorized Representative
Name:
Title:
Dated:

¹³ If there is any partial or full denial of approval, the WIFIA Lender should provide a separate attachment
setting forth the reasons for such partial or full denial of approval.

EXHIBIT B-2

CERTIFICATION OF ELIGIBLE PROJECT COSTS DOCUMENTATION

[Date]

United States Environmental Protection Agency¹⁴
1200 Pennsylvania Avenue NW
WJC-W 6201A
Washington, D.C. 20460
Attention: WIFIA Director

Re: VISTA GRANDE DRAINAGE BASIN IMPROVEMENT PROJECT (WIFIA Ref N19124CA)

Ladies and Gentlemen:

Pursuant to Section 4 (*Disbursement Conditions; Quarterly Approval of Eligible Project Costs*) of the WIFIA Loan Agreement, dated as of [●], 2026 (the “**WIFIA Loan Agreement**”), by and among DALY CITY JOINT POWERS FINANCING AUTHORITY (the “**Borrower**”), CITY OF DALY CITY (the “**City**”), NORTH SAN MATEO SANITATION DISTRICT (the “**District**”) and the UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, acting by and through the Administrator (the “**WIFIA Lender**”), we hereby present this certificate in connection with the Obligor’s delivery of Eligible Project Costs Documentation to the WIFIA Lender. Capitalized terms used but not defined herein have the meaning set forth in the WIFIA Loan Agreement.

Each of the undersigned does hereby represent and certify the following:

1. This certificate is being delivered to the WIFIA Lender in connection with the Eligible Project Costs Documentation and is applicable to the period between [] and [].
2. [The amount of Eligible Project Costs for which reimbursement will be sought from the WIFIA Loan pursuant to this certificate is \$[].]
3. The sources of funding for such Eligible Project Costs are [listed below / set forth in **Exhibit []** to this certificate].

WIFIA USE ONLY

¹⁴ If there is a Servicer for the WIFIA Loan, provide a copy to the Servicer as well and include its notice details here.

							WIFIA USE ONLY	
Vendor Contractor Name ^{32F15}	or Invoice Number ^{33F16}	Invoice Date	Payment Date	Invoice Amount	Activity Type ^{34F17}	Description of Activity ^{35F18}	Approved Amount	Notes

4. [The funds for which reimbursement will be sought were expended solely in connection with the payment or reimbursement of Eligible Project Costs.]

Date: _____ DALY CITY JOINT POWERS FINANCING
AUTHORITY,
By its authorized representative
By: _____
Name: _____
Title: _____

Date: _____ CITY OF DALY CITY,

By its authorized representative
By: _____
Name: _____
Title: _____

Date: _____ NORTH SAN MATEO SANITATION DISTRICT,

By its authorized representative
By: _____
Name: _____
Title: _____

¹⁵ If seeking reimbursement for internal costs, enter "Internally financed activities."

¹⁶ Vendor's number indicated on the invoice sent to the Borrower.

¹⁷ Specify whether activity is: (a) **Development phase activity**, which includes planning, preliminary engineering, design, environmental review, revenue forecasting and other pre-construction activities; (b) **Construction**, which includes construction, reconstruction, rehabilitation and replacement activities; (c) **Acquisition of real property**, which includes acquiring an interest in real property, environmental mitigation, construction contingencies and acquisition of equipment; (d) **Carrying costs**, including capitalized interest, as necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses and other carrying costs during construction; (e) **WIFIA fees**, including for application and credit processing; or (f) **Other**, with an explanation in the "Description of Activity" column.

¹⁸ Provide a brief description of the activities included in the invoice for which WIFIA funds are being requested and any other notes that will aid in the review of the documentation.

EXHIBIT C-1

OPINIONS REQUIRED FROM COUNSEL TO OBLIGORS

An opinion of counsel of the Obligors, dated as of the Effective Date, to the effect that:

1. the Borrower has been duly created pursuant to Chapter 5, Division 7, Title 1 of the Code of the State (the “**JPA Law**”) and validly exists as a joint exercise of powers authority duly organized and existing under and by virtue of the laws of the State with good right and power to issue the WIFIA Bond;
2. the City has been duly created and validly exists as a general city and municipal corporation duly organized and existing under and by virtue of the laws of the State;
3. the District has been duly created and validly exists as a county sanitation district and subsidiary district of the City duly organized and existing under and by virtue of the laws of the State;
4. each Obligor is duly organized under the laws of the State and has full legal right, power and authority to own its property and conduct its affairs;
5. each Obligor is in good standing under the laws of the State;
6. each Obligor has all requisite power and authority to conduct its business and to execute and deliver, and to perform its obligations under the Related Documents to which it is a party;
7. the execution and delivery by each Obligor of, and the performance of such Obligor’s respective obligations under, the Related Documents to which it is a party, have been duly authorized by all necessary organizational or regulatory action;
8. each Obligor has duly executed and delivered each Related Document to which it is a party and each such Related Document is in full force and effect and constitutes the legal, valid and binding obligation of such Obligor, enforceable against such Obligor in accordance with their respective terms;
9. no authorization, consent, or other approval of, or registration, declaration or other filing with any governmental authority of the United States of America or of the State is required other than those already obtained or made on the part of each Obligor for the execution and delivery by such Obligor of, and the performance of such Obligor under, any Related Document to which it is a party other than authorizations, consents, approvals, registrations, declarations and filings set forth in the opinion that have already been timely obtained or made by such Obligor;
10. all actions by the City or District that are required for the application of Net Revenues as required under the applicable WIFIA FA have been duly and lawfully made and all actions by the Borrower that are required for the application of Authority Revenues as required under this Agreement have been duly and lawfully made;

11. the execution and delivery by each Obligor of, and performance with the provisions of, the Related Documents to which such Obligor is a party do not (i) violate the Organizational Documents of such Obligor (including the JPA Law with respect to the Borrower), (ii) violate the law of the United States of America or of the State or (iii) conflict with or constitute a breach of or default under any material agreement or other instrument known to such counsel to which such Obligor is a party, or to the best of such counsel's knowledge, after reasonable review, any court order, consent decree, statute, rule, regulation or any other law to which such Obligor is subject;
12. no Obligor is entitled to claim governmental immunity in any breach of contract action under the Related Documents, to the extent (if any) such immunity has been waived under the Related Documents and applicable law;
13. the Borrower is not an investment company required to register under the Investment Company Act of 1940, as amended; and
14. to the knowledge of such counsel after due inquiry, there are no actions, suits, proceedings or investigations against any Obligor by or before any court, arbitrator or any other Governmental Authority in connection with the Related Documents or any System (including the Project) that are pending or, to the knowledge of such counsel after due inquiry that would materially impair the transactions contemplated by the Related Documents.

EXHIBIT C-2

OPINIONS REQUIRED FROM BOND COUNSEL

An opinion of bond counsel, dated as of the Effective Date, to the effect that:

1. the WIFIA Bond is being issued pursuant to the authority granted by the laws of the State, including the JPA Law and the Joint Powers Agreement.
2. each Related Document constitutes a legal, valid and binding agreement of each Obligor that is a party thereto, enforceable against such Obligor in accordance with its respective terms and conditions.
3. the Authority Bond Payments (a) are secured by the Net Revenues, (b) are Parity Obligations, (c) are enforceable under the laws of the State without any further action by any Member or any other Person, and (d) rank *pari passu* in right of payment and right of security with all other Parity Obligations and senior in right of payment and right of security to all Subordinated Obligations;
4. the WIFIA Bond and the WIFIA Loan (a) are secured by (i) all of the Authority Revenues and (ii) all of the right, title and interest of the Borrower (but none of the obligations) in the WIFIA FAs and (iii) the WIFIA Debt Service Account, and (b) are enforceable in accordance with WIFIA Bond and the Loan Agreement, respectively, under the laws of the State without any further action by the Borrower or any other Person;
5. the WIFIA FAs create the valid and binding assignment and pledge of the Net Revenues to secure the payment of the Authority Bond Payments, irrespective of whether any party has notice of the pledge and without the need for any physical delivery, recordation, filing or further act; and
6. the Loan Agreement creates the valid and binding assignment and pledge of the Authority Revenues, the right, title and interest of the Borrower in the WIFIA FAs to secure the payment of the principal of, interest on, and other amounts payable in respect of, the WIFIA Bond, irrespective of whether any party has notice of the pledge and without the need for any physical delivery, recordation, filing or further act.

EXHIBIT D

FORM OF CLOSING CERTIFICATE

Reference is made to that certain WIFIA Loan Agreement, dated as of [●], 2026 (the “WIFIA Loan Agreement”), by and among Daly City Joint Powers Financing Authority (the “Borrower”), City of Daly City (the “City”), North San Mateo Sanitation District (the “District”) and the United States Environmental Protection Agency, acting by and through the Administrator (the “WIFIA Lender”). Capitalized terms used in this certificate and not defined shall have the respective meanings ascribed to such terms in the WIFIA Loan Agreement.

In connection with Section 11(a) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, the undersigned, [●], as Borrower’s Authorized Representative, [●], as City’s Authorized Representative and [●], as District’s Authorized Representative, each does hereby certify on behalf of the Borrower, the City and the District, respectively, and not in his/her personal capacity, as of the date hereof:

(a) pursuant to Section 11(a)(vi) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, attached hereto as Annex A-1, Annex A-2 and Annex A-3 are incumbency certificates that list all persons, together with their positions and specimen signatures, who are duly authorized by each Obligor to execute the Related Documents to which such Obligor is or will be a party, and who have been appointed as an Borrower’s Authorized Representative, City’s Authorized Representative or District’s Authorized Representative, as applicable, in accordance with Section 21 (*Obligors’ Authorized Representatives*) of the WIFIA Loan Agreement;

(b) pursuant to Section 11(a)(ii) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, attached hereto as Annex B are copies of each Related Document (other than the WIFIA Loan Documents) and each Construction Contract to which it is a party, together with any amendments, waivers or modifications thereto, that has been entered into on or prior to the Effective Date, and each such document is complete, fully executed, and in full force and effect, and all conditions contained in such documents that are necessary to the closing of the WIFIA transactions contemplated hereby have been fulfilled;

(c) pursuant to Section 11(a)(iii) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, attached hereto as Annex C is a copy of each Obligor’s Organizational Documents, as in effect on the Effective Date, which Organizational Documents are in full force and effect;

(d) pursuant to Section 11(a)(iv) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, other than the Related Documents, there are no additional instruments or documents necessary for any Obligor to execute and deliver, or to perform its obligations under, the WIFIA Loan Documents to which it is a party and to consummate and implement the transactions contemplated by the WIFIA Loan Documents to which it is a party;

(e) pursuant to Section 11(a)(vi)(A) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, the aggregate of all funds secured and appropriated

for the development and construction of the Project as set forth in the Base Case Financial Model and in the Project Budget are reasonably expected to be sufficient to carry out the Project, pay all Total Project Costs anticipated for the Project and achieve Substantial Completion by the Projected Substantial Completion Date;

(f) pursuant to Section 11(a)(vi)(B) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, the Obligors have obtained all Governmental Approvals necessary as of the Effective Date (i) in connection with the Project and (ii) to execute and deliver, and perform their obligations under the WIFIA Loan Documents, and each such Governmental Approval is final, non-appealable and in full force and effect (and is not subject to any notice of violation, breach or revocation);

(g) pursuant to Section 11(a)(vi)(C) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, (i) the maximum principal amount of the WIFIA Loan, together with the amount of any other credit assistance provided under the Act to the Borrower, does not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs; (ii) the aggregate amount of Eligible Project Costs previously incurred prior to the Effective Date does not exceed fifty-one percent (51%) of Eligible Project Costs; and (iii) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan, does not exceed eighty percent (80%) of Total Project Costs;

(h) pursuant to Section 11(a)(vi)(D) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, each Obligor is in compliance with NEPA and any applicable federal, state or local environmental review and approval requirements with respect to the Project;

(i) pursuant to Section 11(a)(vi)(E) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, (i) (A) the Borrower's Federal Employer Identification Number is 39-5152349, (B) the Borrower's UEI Number is JZDNPG2LVF83, and (C) the Borrower has registered with, and obtained confirmation of active registration status from, the federal System for Award Management (www.SAM.gov), which confirmation is attached hereto as Annex D-1, (ii) (A) the City's UEI Number is KS8RFKRF6ZE6 and (B) the City has registered with, and obtained confirmation of active registration status from, the federal System for Award Management (www.SAM.gov), which confirmation is attached hereto as Annex D-2, and (iii) (A) the District's UEI Number is ZBHWU14ZDVC9 and (B) the District has registered with, and obtained confirmation of active registration status from, the federal System for Award Management (www.SAM.gov), which confirmation is attached hereto as Annex D-3;

(j) pursuant to Section 11(a)(vi)(F) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, the WIFIA CUSIP number for the WIFIA Loan is [●];

(k) pursuant to Section 11(a)(vi)(G) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, the representations and warranties of each Obligor set forth in the WIFIA Loan Agreement and in each other Related Document to which such Obligor is a party are true and correct on and as of the date hereof, except to the extent that such

representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct as of such earlier date;

(l) pursuant to Section 11(a)(vi)(H) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, no Material Adverse Effect, or any event or condition that could reasonably be expected to have a Material Adverse Effect, has occurred or arisen since the date of the Application;

(m) pursuant to Section 11(a)(vii) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, the rating under the rating letter delivered to the WIFIA Lender pursuant to such Section 11(a)(vii) has not been reduced, withdrawn or suspended as of the Effective Date; [and]

(n) pursuant to Section 11(a)(viii) (*Conditions Precedent – Conditions Precedent to Effectiveness*) of the WIFIA Loan Agreement, attached hereto as Annex E is the Base Case Financial Model, which (i) demonstrates that projected Net Revenues and Authority Revenues are each sufficient to meet the WIFIA Loan Amortization Schedule, (ii) demonstrates compliance with the Rate Covenant for each Fiscal Year through the Final Maturity Date, (iii) reflects principal amortization and interest payment schedules acceptable to the WIFIA Lender, (iv) demonstrates that the Members (or the City on behalf of the Members) have developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project over its useful life and (v) otherwise meets the requirements of such Section 11(a)(viii) (*Conditions Precedent – Conditions Precedent to Effectiveness*); [and]

(o) [any other attachments or provisions as may apply to the WIFIA Loan Agreement].

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first mentioned above.

**DALY CITY JOINT POWERS FINANCING
AUTHORITY,**

by its authorized representative

By: _____

Name:

Title:

CITY OF DALY CITY,

by its authorized representative

By: _____

Name:

Title:

NORTH SAN MATEO SANITATION

DISTRICT, by its authorized representative

By: _____

Name:

Title:

ANNEX A-1 TO EXHIBIT D

BORROWER INCUMBENCY CERTIFICATE

The undersigned, in his/her capacity as the Secretary of Daly City Joint Powers Financing Authority, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the “Borrower”) hereby certifies that he/she is authorized to execute this certificate and further certifies that the following persons have been elected or appointed, are qualified, and are now acting as officers or authorized persons of the Borrower in the capacity or capacities indicated below, and that the signatures set forth opposite their respective names are their true and genuine signatures. He/She further certifies that any of the officers listed below is authorized to sign agreements and give written instructions with regard to any matters pertaining to the WIFIA Loan Documents on behalf of the Borrower as the Borrower’s Authorized Representative (each as defined in that certain WIFIA Loan Agreement, dated as of the date hereof, among the Borrower, City of Daly City, North San Mateo Sanitation District and the United States Environmental Protection Agency, acting by and through the Administrator):

<u>Name</u>	<u>Title</u>	<u>Signature</u>
[_____]	[Chairperson]	_____
[_____]	[_____]	_____
[_____]	[Executive Director]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____

IN WITNESS WHEREOF, the undersigned has executed this certificate as of this [●] day of [●].

**DALY CITY JOINT POWERS FINANCING
AUTHORITY**, by its authorized representative

By: _____
Name:
Title:

ANNEX A-2 TO EXHIBIT D

CITY INCUMBENCY CERTIFICATE

The undersigned, in his/her capacity as the City Clerk of City of Daly City, a general city and municipal corporation duly organized and existing under and by virtue of the laws of the State of California (the “City”) hereby certifies that he/she is authorized to execute this certificate and further certifies that the following persons have been elected or appointed, are qualified, and are now acting as officers or authorized persons of the City in the capacity or capacities indicated below, and that the signatures set forth opposite their respective names are their true and genuine signatures. He/She further certifies that any of the officers listed below is authorized to sign agreements and give written instructions with regard to any matters pertaining to the WIFIA Loan Documents on behalf of the City as the City’s Authorized Representative (each as defined in that certain WIFIA Loan Agreement, dated as of the date hereof, among the City, Daly City Joint Powers Financing Authority, North San Mateo Sanitation District and the United States Environmental Protection Agency, acting by and through the Administrator):

<u>Name</u>	<u>Title</u>	<u>Signature</u>
[_____]	[City Manager]	_____
[_____]	[Finance Director]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____

IN WITNESS WHEREOF, the undersigned has executed this certificate as of this [●] day of [●].

CITY OF DALY CITY, by its authorized
representative

By: _____
Name:
Title:

ANNEX A-3 TO EXHIBIT D

DISTRICT INCUMBENCY CERTIFICATE

The undersigned, in his/her capacity as the Secretary of North San Mateo Sanitation District, a political subdivision duly organized and existing under and by virtue of the laws of the State of California (the "District") hereby certifies that he/she is authorized to execute this certificate and further certifies that the following persons have been elected or appointed, are qualified, and are now acting as officers or authorized persons of the District in the capacity or capacities indicated below, and that the signatures set forth opposite their respective names are their true and genuine signatures. He/She further certifies that any of the officers listed below is authorized to sign agreements and give written instructions with regard to any matters pertaining to the WIFIA Loan Documents on behalf of the District as the District's Authorized Representative (each as defined in that certain WIFIA Loan Agreement, dated as of the date hereof, among the District, Daly City Joint Powers Financing Authority, City of Daly City and the United States Environmental Protection Agency, acting by and through the Administrator):

<u>Name</u>	<u>Title</u>	<u>Signature</u>
[_____]	[Chairman]	_____
[_____]	[General Manager]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____

IN WITNESS WHEREOF, the undersigned has executed this certificate as of this [●] day of [●].

**NORTH SAN MATEO SANITATION
DISTRICT**, by its authorized representative

By: _____
Name:
Title:

EXHIBIT E

FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION

[Letterhead of Borrower]

[Date]

Environmental Protection Agency
WIFIA Director
WJC-W 6201A
1200 Pennsylvania Avenue NW
Washington, DC 20460

Project: VISTA GRANDE DRAINAGE BASIN IMPROVEMENT PROJECT (WIFIA – N19124CA)

Dear Director:

This certificate is provided pursuant to Section 16(h)(i)(A) (*Reporting Requirements – Notices – Substantial Completion*) of that certain WIFIA Loan Agreement (the “**WIFIA Loan Agreement**”), dated as of [●], 2026 by and among Daly City Joint Powers Financing Authority (the “**Borrower**”), City of Daly City (the “**City**”), North San Mateo Sanitation District (the “**District**”) and the United States Environmental Protection Agency, acting by and through its Administrator (the “**WIFIA Lender**”).

Unless otherwise defined herein, all capitalized terms in this certificate have the meanings assigned to those terms in the WIFIA Loan Agreement.

I, the undersigned, in my capacity as the City’s Authorized Representative, and not in my individual capacity, do hereby certify to the WIFIA Lender that:

- (a) on *[insert date Substantial Completion requirements were satisfied]*, the Project satisfied each of the requirements for Substantial Completion set forth in the *[insert reference to the design-build or similar agreements for the Project]*;
- (b) Substantial Completion has been declared under each of the above-referenced agreements and copies of the notices of Substantial Completion under such agreements are attached to this certification;
- (c) Substantial Completion, as defined in the WIFIA Loan Agreement, has been achieved; and
- (d) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan (excluding any interest that is capitalized in accordance with the terms hereof), does not exceed eighty percent (80%) of Total Project Costs.

CITY OF DALY CITY,
by its authorized representative

By: _____

Name:

Title:

EXHIBIT F

FORM OF CONSTRUCTION MONITORING REPORT

United States Environmental Protection Agency
WIFIA Director
WJC-W 6201A
1200 Pennsylvania Avenue NW
Washington, DC 20460
WIFIA_Portfolio@epa.gov

Re: Vista Grande Drainage Basin Improvement Project (WIFIA – N19124CA)

This Construction Monitoring Report for the period of *[insert relevant quarterly period]* is provided pursuant to Section 16(d) (*Reporting Requirements – Construction Reporting*) of the WIFIA Loan Agreement, dated as of [●], 2026 (the “**WIFIA Loan Agreement**”), by and among Daly City Joint Powers Financing Authority (the “**Borrower**”), City of Daly City (the “**City**”), North San Mateo Sanitation District (the “**District**”) and the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency (the “**WIFIA Lender**”). Unless otherwise defined herein, all capitalized terms in this Construction Monitoring Report have the meanings assigned to those terms in the WIFIA Loan Agreement.

1. **Project Status.** Provide a narrative summary of the Project’s construction progress during the Quarterly Period, including with respect to the Project components or sub-projects where appropriate. Complete the table in Appendix A to update the Project scope, schedule, and costs with the latest information.

--

2. **Current Projected Substantial Completion Date:**

--

If the current Projected Substantial Completion Date differs than the date set forth in the Construction Monitoring Report most recently delivered to the WIFIA Lender (or, if no such report has yet been provided, the date of the Projected Substantial Completion Date set forth in the WIFIA Loan Agreement as of the Effective Date), provide a description in reasonable detail for such projected delay or difference:

--

3. **Material Problems (if any)**

Note any problems encountered or anticipated during the construction of the Project during the Quarterly Period that (1) impedes Project completion within the scope, costs, and schedule outlined in the WIFIA Loan Agreement or (2) relates to unforeseen complications in connection with the construction of the Project. This may include commissioning/start-up issues, constructability issues

for the Project as planned, adverse impacts to Project surroundings, changes in or issues with meeting environmental or federal compliance requirements, and unanticipated or abnormal permit approval timelines. Include an assessment of the impact and any current plans to address the problems.

4. Other Matters Related to the Project (if applicable)

Date: _____

CITY OF DALY CITY,
by its authorized representative

By: _____

Name: _____

Title: _____

Date: _____

**NORTH SAN MATEO SANITATION
DISTRICT,**

by its authorized representative

By: _____

Name: _____

Title: _____

APPENDIX A ¹

Project Scope		Project Schedule						Project Costs		
Project Component	Completed (Y/N)	Contract/ Vendor	Bid Advertisement Date	Contract Award Date	NTP Effective Date	Original Substantial Completion Date	Estimated Substantial Completion Date	Original Contract Amount	Estimated Costs to Complete	Costs Earned or Paid to Date
Total										

Table Definitions:

Project Component – project name or ID as tracked by the borrower

Complete (Y/N) – indication that project is complete, and no additional updates will be provided

Description (program of projects only) – brief overview of scope of work for the project component.

Location (program of projects only) – physical project boundaries

Covered by existing NEPA? (program of projects only) – refer to the environmental review documents that is the basis for the NEPA finding. Is the project within the geographic scope and scope of activities described in the documents?

Contract/Vendor – the contract identifier and contractor that is/will be completing the project construction.

Bid Advertisement Date – the date the bid was advertised

Contract Award date – the date the contract was awarded

NTP Effective date – the effective date to proceed with the construction in the Notice to Proceed

Original Substantial Completion Date – the substantial completion date for the given project as noted in the original contract award

Estimated Substantial Completion Date – the latest date estimate for substantial completion for the given project component

Original Contract Amount – the original contract award amount

Estimated Costs to Complete – the latest cost estimates to complete the given project component

Costs Earned or Paid to Date – the latest incurred contract costs for the given project component

Total – Total the cost amounts across all project components and contracts

¹ Appendix A summarizes all project components that will be bid in the next quarter, are currently under construction, or have completed construction. It should be a cumulative list of projects that is updated each quarter. A Microsoft Excel spreadsheet with similar table format is acceptable.

Date: _____

CITY OF DALY CITY,
by its authorized representative

By: _____

Name: _____

Title: _____

Date: _____

**NORTH SAN MATEO SANITATION
DISTRICT,**
by its authorized representative

By: _____

Name: _____

Title: _____

EXHIBIT G

FORM OF PUBLIC BENEFITS REPORT

Date: [_____]

Pursuant to Section 11(a)(xii) (*Conditions Precedent – Conditions Precedent to Effectiveness*) and Section 16(e) (*Reporting Requirements – Public Benefits Report*) of the WIFIA Loan Agreement (as defined below), City of Daly City (the “**City**”) and North San Mateo County Sanitation District (the “**District**”) are providing this Public Benefits Report in connection with the Vista Grande Drainage Basin Improvement Project (WIFIA – N19124CA). Capitalized terms used in this certificate and not defined shall have the respective meanings ascribed to such terms in the WIFIA Loan Agreement dated [on or about the date hereof] (the “**WIFIA Loan Agreement**”), between Daly City Joint Powers Financing Authority (the “**Borrower**”), the City, the District and the United States Environmental Protection Agency, acting by and through the Administrator.

Reporting Period: [Prior to the Effective Date][within ninety (90) days following the Substantial Completion Date][within ninety (90) following the fifth (5th) anniversary of the Substantial Completion Date]

- (i) **The number of total jobs and direct jobs projected to be created by the Project during the period between the Effective Date and the Substantial Completion Date:**

The WIFIA Lender projects that the Project will create [] total jobs, of which the Borrower projects [] will be direct jobs.

- (ii) **Indicate (yes or no) whether the Project will assist the Members in complying with applicable regulatory requirements, and if yes, describe how the project assists with regulatory compliance:**

Yes ☐

If yes, additional description: []

No ☐

- (iii) **The Project will assist the Members with the following environmental measure:**

[].

**DALY CITY JOINT POWERS FINANCING
AUTHORITY,**
by its authorized representative

By: _____
Name:
Title:

CITY OF DALY CITY,
by its authorized representative

By: _____
Name:
Title:

**NORTH SAN MATEO COUNTY
SANITATION DISTRICT,** by its authorized
representative

By: _____
Name:
Title:

FINANCING AGREEMENT (WIFIA LOAN AGREEMENT)

This FINANCING AGREEMENT (WIFIA LOAN AGREEMENT) (this “Agreement”), dated as of _____, 20____, is between DALY CITY JOINT POWERS FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the “Authority”), and the CITY OF DALY CITY, a general law city and municipal corporation established under the Constitution of the State of California (the “City”).

BACKGROUND:

A. The City and the North San Mateo County Sanitation District (the “District,” and together with the City, the “Members” and each a “Member”) desire to finance the Project (as defined herein).

B. The City and the District are parties to a Joint Exercise of Powers Agreement, dated as of March 1, 2021 (as amended, the “Joint Powers Agreement”), pursuant to which the Authority was established as a joint exercise of powers authority under the Joint Exercise of Powers Act (Government Code §6500 et seq.) (the “Joint Powers Law”) for the purpose of providing assistance to the City and the District with their financing programs, including the financing of the Project, and for any other financing purposes authorized under Article 4 of the Joint Powers Law and other applicable law.

C. Section 6504 of the Joint Powers Law authorizes the Members to make contributions for the purpose set forth in the Joint Powers Agreement, and the Joint Powers Agreement provides for agreements between the Authority and the Members (as defined in the Joint Powers Agreement) pursuant to which the Members would be obligated to pay their share of the debt service on bonds and other obligations of the Authority.

D. The City, the District and the Authority previously entered into that certain Memorandum of Agreement, dated as of March 29, 2024 (the “MOA”), pursuant to which the parties thereto (a) allocated ownership of the Project to the City, (b) allocated responsibility for construction of the Project to the City, with 49.23% of the construction costs allocable to the Water Enterprise and 50.77% of the construction costs allocable to the Sewer Enterprise (as defined in the District Financing Agreement referenced below) and (c) allocated responsibility for operation and maintenance of the Project to the City, with 49.23% of the operation and maintenance costs allocable to the Water Enterprise and 50.77% of the operation and maintenance costs allocable to the Sewer Enterprise.

E. The Congress of the United States of America enacted the Water Infrastructure Finance and Innovation Act, §5021 et seq. of Public Law 113-121 as amended by Section 1445 of the Fixing America's Surface Transportation Act of 2015, as further amended by Section 5008 of the Water Infrastructure Improvements for the Nation Act of 2016, Section 4201 of America's Water Infrastructure Act of 2018, and by Sections 50214 and 50215 of the Infrastructure Investment and Jobs Act of 2021 (collectively, as the same may be amended from time to time, the "Act" or "WIFIA"), which is codified at 33 U.S.C. §§3901-3915.

F. The Act authorizes the United States Environmental Protection Agency, an agency of the United States of America ("EPA"), acting by and through the Administrator of the EPA, with an address at 1200 Pennsylvania Avenue NW, Washington, DC 20460 (the "WIFIA Lender") to enter into agreements to provide financial assistance with one or more eligible entities to make secured loans with appropriate security features to finance a portion of the eligible costs of projects eligible for assistance.

G. The Members have asked that the WIFIA Lender make a secured loan to the Authority (the "WIFIA Loan"), pursuant to the Act, to be used to pay a portion of the eligible costs of the Project, and the WIFIA Lender and the Authority are concurrently with the effectiveness of this Agreement entering into a WIFIA Loan Agreement, dated as of ____, 2026 (the "WIFIA Loan Agreement").

H. In order to evidence the WIFIA Loan, the Authority has authorized the issuance of its Daly City Joint Powers Financing Authority 2026 Wastewater Revenue Bond (WIFIA Loan) (the "WIFIA Bond"), under the provisions of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California. The maximum principal amount of the WIFIA Bond shall not exceed \$33,890,228. Interest shall accrue on the WIFIA Bond at the interest rates and be payable on the dates as provided therein and in the WIFIA Loan Agreement. The WIFIA Bond will be issued pursuant to the WIFIA Loan Agreement.

I. The WIFIA Loan Agreement requires the City to execute and deliver a Financing Agreement to evidence the City's obligation to make its Authority Bond Payments, and to secure its obligation to pay its Authority Bond Payments with its City Revenues (as defined in the WIFIA Loan Agreement).

J. The Authority and the City wish to enter into this Agreement in order to implement the existing provisions of the Joint Powers Agreement with respect to the repayment of the WIFIA Bond and the WIFIA Loan and to provide security for the WIFIA Bond and the WIFIA Loan. The District is concurrently with the effectiveness of this Agreement entering into a Financing Agreement (WIFIA Loan Agreement), dated as of ____, 20__ (the "District Financing Agreement") for the same purpose.

K. In connection with obtaining financial assistance for the Project from the State Water Resources Control Board (the "State Water Board") pursuant to Section 13475 et seq. of the California Water Code, the City has previously entered into (i) a Construction Loan Agreement, by and among the State Water Board, the Authority, the City and the District, which was executed by the State Water Board on May 19, 2025 and (ii) a related Financing Agreement, dated as of September 12, 2024 (the "2025 SRF Financing Agreement"), by and between the Authority and the City. Under the 2025 SRF Financing Agreement, the City agreed to make certain payments denominated Member

Agency Payments ("2025 SRF Member Agency Payments"). The City's obligation to make the 2025 SRF Member Agency Payments is secured by a pledge of and payable from Net Revenues of the Water Enterprise.

L. The 2025 SRF Financing Agreement allows the City to incur additional obligations secured by and payable from Net Revenues on a parity basis with the 2025 SRF Member Agency Payments, including the Authority Bond Payments.

A G R E E M E N T :

In consideration of the foregoing and the material covenants hereinafter contained, the City and the Authority formally agree as follows:

Section 1. Definitions. In the event of a conflict between a term as defined in this Agreement and as such term as defined in the WIFIA Loan Agreement, the definition given such term in the WIFIA Loan Agreement shall control. Otherwise, the terms defined in the recitals above and in Appendix A hereto have the respective meanings given those terms when used in this Agreement.

Section 2. Authority Bond Payments. The Authority and the City hereby agree that the City is obligated to pay the Authority Bond Payments, as set forth herein.

Section 3. Authority Bond Payments; Prepayment; Security Deposit.

(a) Payment Dates and Amounts. The City shall be solely responsible for payment of the Authority Bond Payments. The City shall pay the Authority Bond Payments in semiannual installments in the amounts and at the times set forth in Appendix B hereto. The Authority and the City acknowledge and agree that the Authority Bond Payments set forth in Appendix B hereto are initially equal to the payments of principal and interest set forth on the Loan Amortization Schedule in Exhibit F (WIFIA Debt Service) to the WIFIA Loan Agreement in all respects, other than with respect to the relevant payment dates. The Authority and the City agree that (i) upon any modification to Exhibit F (WIFIA Debt Service) to the WIFIA Loan Agreement, Appendix B hereto shall be deemed modified mutatis mutandis, (ii) the City will provide to the Authority (with a copy to the WIFIA Lender) a revised Appendix B which the Authority and the City agree will replace the then current Appendix B (such replacement being a ministerial act and not an amendment or supplement to this Agreement), (iii) no modification to Appendix B hereto shall otherwise be made without the consent of the WIFIA Lender and (iv) the City's failure to provide or delay in delivering such revised Appendix B shall not affect the modifications deemed to be made thereto or the obligation of the City to make the Authority Bond Payments as so modified.

(b) Optional Prepayment. The City may exercise its option to prepay the principal components of the Authority Bond Payments in whole or in part on any date on which the WIFIA Loan is subject to optional prepayment under the WIFIA Loan Agreement. Such option shall be exercised by payment of a prepayment price equal to the sum of (a) the aggregate principal components of the Authority Bond Payments to be prepaid and (b) the interest component of the Authority Bond Payments required to be paid on or accrued to such date; provided that such prepayments shall be in principal amounts of \$1,000,000 or any integral multiple of \$1.00 in excess thereof. The City shall prepay the Authority Bond

Payments on the same dates and in the same amounts as the Authority's optional prepayments of the WIFIA Loan in accordance with the WIFIA Loan Agreement and shall not optionally prepay the Authority Bond Payments at any other time or in any other amounts. The City shall provide written notice of a prepayment pursuant to this Section 3(b) and rescission of an announced prepayment in sufficient time to allow the Authority to meet the notice requirements of the WIFIA Loan Agreement. Anything in this Section 3(b) to the contrary notwithstanding, the failure by the City to make any optional prepayment shall not constitute a breach or default under this Agreement.

(c) Security Deposit. Notwithstanding any other provision hereof, the City may on any date secure the payment of Authority Bond Payments, in whole or in part, by irrevocably depositing with the Authority an amount of cash which, together with other available amounts, is either (i) sufficient to pay all such Authority Bond Payments, including the principal and interest components thereof, when due as set forth in Appendix B or when due on any optional prepayment date under the preceding subsection (b), or (ii) invested in whole or in part in non-callable Federal Securities in such amount as will, in the opinion of an Independent Accountant (which opinion is addressed and delivered to the Authority and the WIFIA Lender), together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay all such Authority Bond Payments when due as set forth in Appendix B or when due on any optional prepayment date under the preceding subsection (b).

If the City posts a security deposit under this Section 3 for the payment of all remaining Authority Bond Payments identified by the WIFIA Lender, such security deposit shall not be deemed to be a repayment or prepayment of the Authority Bond Payments in full, and each of the Authority and the City shall comply with all of its obligations hereunder and under the other WIFIA Loan Documents (as defined in the WIFIA Loan) (other than with respect to payments of Authority Bond Payments, which payments shall continue to be made in accordance with Appendix B hereto (including by any successor entity assuming the City's payment obligations hereunder), unless otherwise agreed by the WIFIA Lender, until the irrevocable payment in full in immediately available funds of the WIFIA Loan Balance (as defined in the WIFIA Loan Agreement) (and the corresponding unpaid principal components of the Authority Bond Payments), together with all accrued interest (and the corresponding interest components of the Authority Bond Payments), fees and expenses with respect thereto.

Notwithstanding the foregoing, should the security deposit under this Section 3 be insufficient to satisfy the full amount of Authority Bond Payments, the City shall remain obligated to pay such amounts.

Section 4. Pledge of Net Revenues; Application of Revenues.

(a) Pledge of Net Revenues. The City hereby pledges and creates a lien on and security interest in all Net Revenues to secure the payment of the Authority Bond Payments as provided herein; provided, however, that out of the Net Revenues there may be applied such sums for such purposes as are permitted hereunder. This pledge shall constitute a pledge of and charge and lien upon the Net Revenues, which pledge and lien upon the Net Revenues is on a parity with any pledge and lien of Parity Obligations, and all other moneys on deposit in the funds and accounts established hereunder for the payment of the Authority Bond Payments in accordance with the terms hereof and thereof.

(b) Water Fund; Application of Revenues. In order to carry out and effectuate the pledge, charge and lien contained herein, the City agrees and covenants that all Revenues received by it shall be deposited when and as received in the City's Water Fund which fund the City has previously established and agrees and covenants to maintain so long as the Authority Bond Payments are unpaid, and all money on deposit in the Water Fund shall be applied and used only as provided below, and shall be accounted for separate and apart from all other moneys, funds or other resources of the City. The City may, to the extent provided in Section 12, transfer amounts in the Water Fund to the Rate Stabilization Fund or from the Rate Stabilization Fund to the Water Fund.

Money in the Water Fund, after paying as they become due and payable all Maintenance and Operation Costs, shall be applied by the City to pay when due the following amounts in the following order of priority:

(i) On or before each Authority Bond Payment Date, the City shall, from amounts in the Water Fund, transfer to the Authority for deposit into the WIFIA Debt Service Account (as defined in the WIFIA Loan Agreement) an amount that, together with amounts held in the WIFIA Debt Service Account for that purpose, is equal to the interest amount becoming due and payable on such Authority Bond Payment Date, as set forth in Appendix B.

(ii) On or before each Authority Bond Payment Date, the City shall, from amounts in the Water Fund, transfer to the Authority for deposit into the WIFIA Debt Service Account an amount that, together with amounts held in the WIFIA Debt Service Account for that purpose, is equal to the principal amount becoming due and payable on such Authority Bond Payment Date, as set forth in Appendix B.

(iii) On or before each Authority Bond Payment Date, the City shall, from moneys in the Water Fund, pay to the party entitled thereto or transfer or cause to be transferred to any applicable debt service or other payment fund or account for any Parity Obligations, without preference or priority to the transfers made pursuant to the preceding clauses (i) and (ii), on the dates specified in the Issuing Instrument relating to such Parity Obligations, the sum or sums required to be paid or deposited in such debt service or other payment fund or account with respect to principal, premium, if any, and interest on Parity Obligations.

(iv) On or before each Authority Bond Payment Date, the City shall, from amounts in the Water Fund in excess of the sums required to make the transfers specified in the foregoing clauses (i), (ii) and (iii), transfer or cause to be transferred to any applicable debt service reserve fund for any Parity Obligation other than the WIFIA Bond, the sum or sums required to be paid or deposited in such debt service reserve fund in accordance with the terms of such Parity Obligation..

(v) On or before each Authority Bond Payment Date, the City shall, from amounts in the Water Fund in excess of the sums required to make the transfers specified in foregoing clauses (i), (ii), (iii) and (iv), pay to the party entitled thereto or transfer or cause to be transferred to any applicable debt service or other payment fund or account for any Subordinated Obligations, on the dates specified in the Issuing Instrument relating to such Subordinated Obligations, the sum or

sums required to be paid or deposited in such debt service or other payment fund or account with respect to principal, premium, if any, and interest on Subordinated Obligations.

(vi) All money on deposit in the Water Fund in excess of the sums required to be set aside on or before each Authority Bond Payment Date by the provisions of the foregoing clauses (i), (ii), (iii), (iv) and (v) shall be available for (A) the payment of any unsecured obligations (including, but not limited to, any amounts payable by the City under Section 10(a), Sections 14(p)(i) and 14(p)(ii), and Section 32 of the WIFIA Loan Agreement) (B) the acquisition and construction of improvements to the Water Enterprise, (C) any transfers permitted under this Agreement to the Rate Stabilization Fund and (D) any other lawful purpose of the City (provided that the foregoing clause (D) shall not supersede, modify or otherwise affect the City's obligations pursuant to Section 15(g) of the WIFIA Loan Agreement).

The City shall manage, conserve and apply amounts on deposit in the Water Fund in such a manner that all deposits required to be made under this Section 4 will be made at the times and in the amounts so required.

Section 5. Special Obligation of the City; Obligations Absolute.

(a) Special Obligation of the City. The City's obligation to pay the Authority Bond Payments and any other amounts coming due and payable hereunder is a special obligation of the City limited to its Net Revenues. Under no circumstances is the City required to advance moneys derived from any source of income other than its Net Revenues and other sources specifically identified herein for the payment of the Authority Bond Payments and such other amounts. No other funds or property of the City are liable for the payment of the Authority Bond Payments and any other amounts coming due and payable hereunder.

(b) Obligations Absolute. The obligations of the City to pay the Authority Bond Payments from its Net Revenues and to perform and observe the other agreements contained herein are absolute and unconditional and are not subject to any defense or any right of set-off, counterclaim or recoupment arising out of any breach by the Authority of any obligation to the City or otherwise with respect to the Water Enterprise, whether hereunder or otherwise, or out of indebtedness or liability at any time owing to the City by the Authority. Until all of the Authority Bond Payments are fully paid or prepaid, the City will (a) not suspend or discontinue payment of any Authority Bond Payments, (b) perform and observe all other agreements contained in this Agreement, and (c) not terminate this Agreement for any cause, including but not limited to the occurrence of any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, destruction of or damage to the Water Enterprise or the Project, failure by the City to complete the acquisition and construction of the Project by the estimated completion date thereof, sale of the Project or the Water Enterprise, the taking by eminent domain of title to or temporary use of any component of the Project or the Water Enterprise, commercial frustration of purpose, any change in the tax laws or other laws of the United States of America or the State of California or any political subdivision of either thereof or any failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the WIFIA Loan Agreement or this Agreement.

Section 6. Rates and Charges.

The City shall fix, prescribe, revise and collect rates, fees and charges for the services and facilities furnished by the Water Enterprise during each Fiscal Year which are at least sufficient to yield (a) Net Revenues for such Fiscal Year at least equal to one hundred twenty percent (120%) of Maximum Annual Debt Service on all Parity Obligations for such Fiscal Year and (b) Net Revenues for such Fiscal Year at least equal to one hundred twenty percent (120%) of Maximum Annual Debt Service on all Subordinated Obligations for such Fiscal Year, except that coverage of at least one hundred percent (100%) of Debt Service on all Subordinated Obligations shall be deemed sufficient with respect to Subordinated Obligations so long as Obligations of the City other than this Agreement are outstanding and, upon defeasance of all Obligations of the City other than this Agreement, this ratio must be at least one hundred twenty percent (120%), except where such Obligations of the City are defeased pursuant to Refunding Parity Obligations.

For the purposes of the calculation of the rate covenant described in clauses (a) and (b) above, Net Revenues may include transfers from the Rate Stabilization Fund; provided that the Net Revenues excluding such transfers are at least one hundred percent (100%) of the Maximum Annual Debt Service for the relevant Fiscal Year with respect to all Outstanding Obligations.

The City may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates and charges then in effect unless the Net Revenues from such reduced rates and charges will at all times be sufficient to meet the requirements of this Section 6. The City shall increase such rates, fees and charges whenever necessary to produce Net Revenues sufficient to meet the requirements of this Section 6.

Section 7. No Senior Lien Debt. The City shall not create, incur or suffer to exist (a) any Obligations which are senior or prior in right to (i) the payment by the City of the Authority Bond Payments and the other Parity Obligations or (ii) the Lien on the Net Revenues in favor of the Authority or (b) any obligations, all or a portion of the proceeds of which are or will be applied at any time to fund all or any portion of Total Project Costs (as defined in the WIFIA Loan Agreement), that are secured by a Lien on any assets or property of the City other than the Net Revenues.

Section 8. Issuance of Parity Obligations and Subordinated Obligations.

(a) Without regard to subsection (c) of this Section 8, the City may at any time issue or enter into an obligation or commitment which is a Qualified Swap Agreement, provided (i) the Qualified Swap Agreement shall relate to a principal amount of Outstanding Parity Obligations or investments held under an Issuing Instrument for Parity Obligations, in each case specified by an Authorized Representative; and (ii) the notional amount of the Qualified Swap Agreement shall not exceed the principal amount of the related Parity Obligation or the amount of such investments, as applicable.

(b) Subject to subsection (c), the City may enter into Credit Support Instruments or otherwise become obligated for Credit Provider Reimbursement Obligations from time to time, provided that it complies with the requirements of subsection (c) of this Section 8. For the avoidance of doubt with respect to municipal bond insurance policies, the amount

considered in subsection (c) of this Section 8 shall only include accrued but unpaid interest on an amount actually advanced by the Credit Provider (if any as of the time of calculation) and any accrued but unpaid fees owed to the Credit Provider (if any as of the time of calculation), and does not require the double counting of Debt Service on a Parity Obligation and the amounts advanced by a Credit Provider under a Credit Support Instrument to pay Debt Service on such Parity Obligation.

(c) The City may, at any time and from time to time, issue any Additional Parity Obligations, provided the City obtains or provides a certificate or certificates, prepared by the City or at the City's option by a Consultant, showing that all of the following conditions are met:

(i) The Net Revenues of the City in the most recent Fiscal Year, excluding transfers from the Rate Stabilization Fund, if any, meet the ratio for rate covenants set forth in Section 6 above;

(ii) The City is not in default on any Outstanding Obligation; and

(iii) (A) the estimated Net Revenues of the City for the Fiscal Year in which the proposed Additional Parity Obligation is issued, and (B) projected Net Revenues of the City for the five (5) Fiscal Years immediately following the Fiscal Year in which the Additional Parity Obligation is issued, will be at least equal to one hundred twenty percent (120%) of the maximum Annual Debt Service for such Fiscal Year(s) with respect to all Outstanding Parity Obligations, including the Additional Parity Obligation proposed to be issued. For purposes of clause (B), (1) if all or a portion of the interest on any Parity Obligations during such five (5) Fiscal Year period is being or will be capitalized, the five (5) Fiscal Year period will commence with the first Fiscal Year beginning on or after the last date on which such interest is capitalized, (2) projected Net Revenues of the City for each Fiscal Year in the five (5) Fiscal Year period may include Revenues arising from increases in the rates and charges estimated to be fixed and prescribed or received for the services of the Water Enterprise and which are economically feasible and reasonably considered necessary based on projected operations for such Fiscal Year, and (3) Net Revenues of the City may include Rate Stabilization Fund transfers, provided that the Net Revenues, excluding the amounts of such transfers, equals at least one hundred percent (100%) of the Maximum Annual Debt Service for the relevant Fiscal Year with respect to all Outstanding Parity Obligations, including the Additional Parity Obligation proposed to be issued.

(d) For purposes of preparing the certificate or certificates described in subsections (c) and (e), the City and any Consultant may rely upon the books and records of the City or any financial statements prepared by the City which have not been subject to audit by an Independent Accountant if audited financial statements for the particular Fiscal Year are not available.

(e) Upon the incurrence of any Additional Parity Obligations, the City shall provide to the WIFIA Lender a certificate signed by an Authorized Representative, (A) specifying the closing date with respect to such Additional Parity Obligations and (B) confirming that such Additional Parity Obligations are authorized pursuant to, and satisfy the applicable requirements under, the WIFIA Loan Agreement.

(f) The City may, at any time and from time to time, issue any Subordinated Obligations, provided the City obtains or provides a certificate or certificates, prepared by the City or at the City's option by a Consultant, showing that:

(i) Net Revenues of the City in the most recent Fiscal Year, excluding transfers from the Rate Stabilization Fund, if any, meet the ratio for rate covenants set forth in Section 6 above;

(ii) the City is not in default on any Outstanding Obligation; and

(iii) such Subordinated Obligation is fully subordinated to the Parity Obligations in priority of payment (as to both principal and interest), voting and priority of security interest with respect to the Net Revenues, including with respect to payment from revenues and reserves and payment upon default or acceleration of any such Obligations; provided that the Issuing Instrument for a Subordinated Obligation shall not supersede or conflict with any provision of the Financing Agreement or contain a right to accelerate without the consent of the WIFIA Lender.

(g) For purposes of preparing the certificate or certificates described in subsection (f) of this section, the City and any Consultant may rely upon the books and records of the City or any financial statements prepared by the City which have not been subject to audit by an Independent Accountant if audited financial statements for the particular Fiscal Year are not available.

(h) Upon the incurrence of any Subordinated Obligations, the City shall provide to the WIFIA Lender a certificate signed by an Authorized Representative, (A) specifying the closing date with respect to such Subordinated Obligations and (B) confirming that such Subordinated Obligations are authorized pursuant to, and satisfy the applicable requirements under, the WIFIA Loan Agreement.

Section 9. No Liens.

The City must not make any pledge of or place any lien on the Project, Water Enterprise, or Revenues except as otherwise provided or permitted by this Agreement and the WIFIA Loan Agreement.

Section 10. Operation and Insurance of the Water Enterprise. The City covenants and agrees to operate the Water Enterprise in an efficient and economical manner and to operate, maintain and preserve the Water Enterprise in good repair and working order. The City shall at all times maintain with responsible insurers all such insurance on the Water Enterprise as is customarily maintained with respect to works and properties of like character against accident to, loss of or damage to the Water Enterprise and in compliance with the requirements set forth in the WIFIA Loan Agreement. The City shall also maintain, with responsible insurers, worker's compensation insurance and insurance against public liability and property damage to the extent reasonably necessary to protect the City, the Authority and the WIFIA Lender, as third-party beneficiary under this Agreement.

Section 11. Records and Accounts. The City shall keep proper books of record and accounts of the Water Enterprise in which complete and correct entries are made of

all transactions relating to the Water Enterprise. Said books shall, upon prior written request, be subject to the reasonable inspection of the Authority and the WIFIA Lender, as third-party beneficiary under this Agreement, or their representatives authorized in writing, upon not less than two business days' prior notice to the City. The City shall cause the books and accounts of the Water Enterprise to be audited annually by an Independent Accountant not more than nine months after the close of each Fiscal Year, and shall make a copy of such report available for inspection by the Authority and the WIFIA Lender, as third-party beneficiary under this Agreement. Such report may be part of a combined financial audit or report covering all or part of the City's finances.

Section 12. Establishment and Maintenance of Rate Stabilization Fund. The City shall maintain and hold a separate fund to be known as the "Rate Stabilization Fund." From time to time the City may deposit in the Rate Stabilization Fund from Net Revenues such amounts as the City shall determine, in accordance with Section 4(b), provided that deposits for each Fiscal Year may be made until (but not after) one hundred eighty (180) days following the end of such Fiscal Year. The City may withdraw amounts from the Rate Stabilization Fund only for transfer to the Water Fund for inclusion in Revenues for any Fiscal Year, such withdrawals to be made until (but not after) one hundred eighty (180) days after the end of such Fiscal Year. All interest or other earnings upon deposits in the Rate Stabilization Fund shall be withdrawn therefrom and accounted for as Revenues. Amounts in the Rate Stabilization Fund are not pledged to the Authority Bond Payments or any Parity Obligation.

Section 13. Reserved.

Section 14. Cooperation with Bond Issuance. The City agrees that it will execute and deliver any and all such closing certificates, agreements, instruments, other documents or other assurances as may be reasonably requested by the Authority to complete the issuance and sale of the WIFIA Bond. Without limiting the generality of the foregoing, the City agrees to furnish the Authority such financial and operating information, continuing disclosure documents or reports as the Authority may reasonably request for disclosure under the WIFIA Loan Agreement.

Section 15. No Cross-Collateralization. In the event that the District fails to make any payments required pursuant to the District Financing Agreement, dated as of the date hereof, between the District and the Authority, or satisfy any financial obligation thereunder, the City shall have no obligation to pay such amounts and none of the District, the Authority, or the WIFIA Lender shall have any right to compel the City to pay such amounts.

Section 16. Scope of this Agreement. This Agreement does not obligate the City to make any payments related to the WIFIA Bond except as set forth herein. In the event the Authority issues an additional series of bonds, notes or other obligations in accordance with the Joint Powers Agreement to provide financing for the Project, the City may (but is not obligated to) determine to raise its portion of the costs thereof by participating in the issuance of such bonds, notes or other obligations, and in such event the City may (but is not obligated to) enter into an additional agreement with the Authority to obligate the City to pay and secure the payment of its obligations in respect thereof. Such additional obligations of the City, if any, may (but are not required to) be issued as Parity Obligations upon compliance with the conditions set forth in Section 8; in that event,

but only in that event, all references in this Agreement to "Parity Obligations" will apply to such additional obligations of the City.

Section 17. Termination or Amendment; Other Related Financing Agreements. (a) The Authority and the City shall not amend or modify any of the provisions of this Agreement without the prior written consent of the WIFIA Lender.

(b) The Authority shall not take any of the following actions without the express written consent of the WIFIA Lender, as third-party beneficiary under this Agreement: (i) enter into an agreement similar to this Agreement with another party for the purpose of securing additional revenue to make its payments under the WIFIA Loan Agreement; (ii) add additional members to the Joint Powers Agreement; or (iii) amend the payment terms of this Agreement.

Section 18. Events of Default and Remedies.

(a) If an Event of Default under and as defined in the WIFIA Loan Agreement shall have occurred, then an "Event of Default" shall have occurred hereunder, and the Authority shall immediately notify the WIFIA Lender of such Event of Default and shall follow any written directions of the WIFIA Lender, which may include a direction to declare the entire principal amount of the unpaid Authority Bond Payments and the accrued interest thereon to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything contained herein to the contrary notwithstanding; provided that the unpaid

Authority Bond Payments shall automatically become due and payable without the action of the Authority or any other person if the unpaid principal amount of the WIFIA Loan shall have become immediately due and payable. Notwithstanding anything to the contrary set forth herein, the Authority shall not have the right to (i) accelerate the Authority Bond Payments or (ii) exercise any other rights or remedies hereunder following the occurrence of an Event of Default in each case without the prior written direction of the WIFIA Lender.

(b) Upon the occurrence of an Event of Default, the Authority shall have the right (but only following the prior written direction of the WIFIA Lender):

(i) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the City or any director, officer or employee thereof, and to compel the City or any such director, officer or employee to perform and carry out its or his duties under the law and the agreements and covenants required to be performed by it or him or her contained herein;

(ii) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Authority;

(iii) by suit in equity to require the City and its directors, officers and employees to account as the trustee of an express trust for the benefit of the WIFIA Lender as assignee of the Authority pursuant to the WIFIA Loan Agreement; or

(iv) to apply the Default Rate (as defined in the WIFIA Loan Agreement) to the unpaid balance of the Authority Bond Payments.

(c) Upon the occurrence of an Event of Default, the WIFIA Lender, as assignee of the Authority pursuant to the WIFIA Loan Agreement, shall be entitled and empowered to institute any actions or proceedings at law or in equity against the City for the collection of any sums due to the Authority from the City and unpaid hereunder, and may prosecute any such judgment or final decree against the City and collect in the manner provided by law the moneys adjudged or decreed to be payable, may take such other actions at law or in equity as may appear necessary or desirable to collect all amounts payable by the City to the Authority under this Agreement then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the City under this Agreement.

Section 19. Governing Law. This Agreement will be construed in accordance with and governed by the laws of the State of California.

Section 20. Assignment; Binding Effect. This Agreement and any rights hereunder may be assigned by the Authority, as a whole or in part, to the WIFIA Lender without the necessity of obtaining the prior consent of the City. Subject to the foregoing sentence, neither the rights or obligations of the Authority or the City hereunder nor any interest herein may be assigned or delegated without the prior written consent of the WIFIA Lender. This Agreement inures to the benefit of and is binding upon the Authority, the City and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 21. Severability of Invalid Provisions. If any one or more of the provisions contained in this Agreement are for any reason held to be invalid, illegal or unenforceable in any respect, then such provision or provisions will be deemed severable from the remaining provisions contained in this Agreement and such invalidity, illegality or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority and the City each hereby declares that it would have entered into this Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Agreement may be held illegal, invalid or unenforceable.

Section 22. Payment on Non-Business Days. Whenever any payment is required to be made hereunder on a day which is not a business day, such payment will be made on the immediately preceding business day.

Section 23. Execution of Counterparts; Electronic Delivery. This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. Electronic delivery of an executed counterpart of a signature page of this Agreement or of any document or instrument delivered in connection herewith shall be effective as delivery of an original executed counterpart of this Agreement or such other document or instrument, as applicable.

Section 24. Third Party Beneficiary. The WIFIA Lender is hereby made a third party beneficiary hereof and is entitled to the benefits of this Agreement with the same force and effect as if the WIFIA Lender were a party hereto.

Section 25. Integration. This Agreement and the WIFIA Loan Agreement constitute the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

[Remainder of page intentionally left blank. Signatures on next page.]

IN WITNESS WHEREOF, the Authority and the City have caused this Agreement to be executed in their respective names by their duly authorized officers, all as of the date first above written.

**DALY CITY JOINT POWERS FINANCING
AUTHORITY**

By _____
Executive Director

ATTEST:

By _____
Secretary

CITY OF DALY CITY

By _____
City Manager

ATTEST:

By _____
City Clerk

APPENDIX A

DEFINED TERMS

“Additional Parity Obligations” means Parity Obligations issued for the purpose of paying all or a portion of the costs of the Water Enterprise, including, without limitation, the financing of all or a part of the cost of acquisition and construction of any additions to or improvements of the Water Enterprise and satisfying the conditions set forth in Section 8(c).

“Authority Bond Payment Date” means the fifth (5th) business day prior to each Payment Date (as defined in the WIFIA Loan Agreement).

“Authority Bond Payments” means the amounts paid by the City under Section 3 of this Agreement.

“Authorized Representative” means the City Manager, the Finance Director or any other officer of the City duly authorized to act as an Authorized Representative for purposes of this Agreement by resolution of the City Council of the City or written authorization of the City Manager or the Finance Director.

“Consultant” means a consultant, consulting firm, engineer, architect, engineering firm, architectural firm, accountant or accounting firm retained by the City to perform acts, prepare certificates or otherwise carry out the duties provided for a Consultant in this Agreement. Such consultant, consulting firm, engineer, architect, engineering firm or architectural firm shall be nationally recognized within its profession for works of the character required. Such accountants or accounting firm shall be Independent Accountants licensed to practice in the State of California.

“Credit Provider” means any municipal bond insurance company, bank or other financial institution or organization which is performing in all material respects its obligations under any Credit Support Instrument for some or all of the Parity Obligations.

“Credit Provider Reimbursement Obligations” means obligations of the City to pay from the Water Fund amounts due under a Credit Support Agreement, including without limitation amounts advanced by a Credit Provider pursuant to a Credit Support Instrument as credit support or liquidity for Parity Obligations and the interest with respect thereto.

“Credit Support Agreement” means, with respect to any Credit Support Instrument, the agreement or agreements (which may be the Credit Support Instrument itself) between the City and the applicable Credit Provider, as originally executed or as it may from time to time be replaced, supplemented or amended in accordance with the provisions thereof, providing for the reimbursement to the Credit Provider for payments under such Credit Support Instrument, and the interest thereon, and includes any subsequent agreement pursuant to which a substitute Credit Support Instrument is provided, together with any related pledge agreement, security agreement or other security document.

“Credit Support Instrument” means a policy of insurance, a letter of credit, a stand-by purchase agreement, revolving credit agreement or other credit arrangement pursuant

to which a Credit Provider provides credit or liquidity support with respect to the payment of interest, principal or the purchase price of any Parity Obligations.

“Debt Service” means, for any Fiscal Year, the aggregate amount of principal and interest scheduled to become due (either at maturity or by mandatory redemption) on all Outstanding Parity Obligations, calculated with the following assumptions;

a. Principal payments (unless a different subdivision of this definition applies for purposes of determining principal maturities or amortization) are made in accordance with any amortization schedule published for such principal, including any minimum sinking fund payments;

b. Interest on a variable rate Outstanding Parity Obligation that is not subject to a swap agreement and that is issued or will be issued as a tax-exempt obligation under federal law, is the average of the SIFMA Municipal Swap Index, or its successor index, during the 24 months preceding the date of such calculation;

c. Interest on a variable rate Outstanding Parity Obligation that is not subject to a swap agreement and that is issued or will be issued as a taxable obligation under federal law, is the average of SOFR, or its successor index, during the 24 months preceding the date of such calculation;

d. Interest on a variable rate Outstanding Parity Obligation that is subject to a swap agreement is the fixed swap rate or cap strike rate, as appropriate, if the variable rate has been swapped to a fixed rate or capped pursuant to an interest rate cap agreement or similar agreement;

e. Interest on a fixed rate Outstanding Parity Obligation that is subject to a swap agreement such that all or a portion of the interest has been swapped to a variable rate shall be treated as variable rate debt under subdivisions (b) or (c) of this definition of Debt Service;

f. Payments of principal and interest on an Outstanding Parity Obligation are excluded from the calculation of Debt Service to the extent such payments are to be paid from amounts then currently on deposit with a trustee or other fiduciary and restricted for the defeasance of such Outstanding Parity Obligation;

g. If twenty-five percent (25%) or more of the principal of an Outstanding Parity Obligation is not due until its final stated maturity, then principal and interest on that Outstanding Parity Obligation may be projected to amortize over the lesser of 30 years or the Useful Life of the financed asset, and interest may be calculated according to subdivisions (b)-(e) of this definition of Debt Service, as appropriate.

“Federal Securities” means: (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), the timely payment of principal of and interest on which are unconditionally and fully guaranteed by the United States of America; and (b) any obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

"Fiscal Year" means any twelve-month period extending from July 1 in one calendar year to June 30 of the succeeding calendar year, both dates inclusive, or any other 12-month period selected and designated by the City as its official fiscal year period.

"Generally Accepted Accounting Principles" means generally accepted accounting principles, the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor, or the Uniform System of Accounts, as adopted by the California Public Utilities Commission for water utilities.

"Independent Accountant" means any certified public accountant or firm of certified public accountants appointed and paid by the City, and who, or each of whom (a) is in fact independent and not under domination of the City; (b) does not have any substantial interest, direct or indirect, in the City; and (c) is not connected with the City as an officer or employee of the City but who may be regularly retained to make annual or other audits of the books of or reports to the City.

"Issuing Instrument" means any indenture, trust agreement, loan agreement or other instrument or agreement under which Obligations are issued.

"Lien" means any mortgage, pledge, hypothecation, assignment, mandatory deposit arrangement, encumbrance, attachment, lien (statutory or other), charge or other security interest, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including any sale-leaseback arrangement, any conditional sale or other title retention agreement, any financing lease having substantially the same effect as any of the foregoing, and the filing of any financing statement or similar instrument under the UCC or any other applicable law.

"Maintenance and Operation Costs" means the reasonable and necessary costs paid or incurred by the City for maintaining and operating the Water Enterprise, determined in accordance with Generally Accepted Accounting Principles, including (a) all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the Water Enterprise in good repair and working order, (b) all reasonable and necessary administrative costs of the City that are charged directly or apportioned to the operation of the Water Enterprise, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the Water Enterprise and insurance premiums and (c) amounts reasonably required to be set aside in an operations and maintenance contingency reserve for such costs the payment of which is not immediately required, and which shall not exceed, for purposes of constituting Maintenance and Operation Costs for a Fiscal Year that can be paid prior to Debt Service on Outstanding Parity Obligations, five percent (5%) of the budgeted Maintenance and Operation Costs set forth in the then current adopted budget (the "O&M Reserve Amounts") (for clarity, nothing in this clause (c) shall limit the aggregate amount of O&M Reserve Amounts, or the amount of Net Revenues for a Fiscal Year or any prior Fiscal Year that can be deposited into an operations and maintenance contingency reserve from amounts in the Water Fund pursuant to clause (vi) of Section 4(b) above); but excluding, in all cases (a) depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles, (b) all costs paid from the proceeds of taxes received by the City and (c) all interest charges and charges for the payment of

principal, or amortization, of bonded or other indebtedness of the City, and payments pursuant to a Qualified Swap Agreement. For the avoidance of doubt, "Maintenance and Operation Costs" includes amounts payable for operation and maintenance under the Joint Powers Agreement, the MOA and equivalent agreements entered into between the City and the Authority with respect to other projects, but does not include payments made by the City under the Joint Powers Agreement in respect of debt service on notes, bonds or other obligations issued by the City or the Authority.

"Maximum Annual Debt Service" means the maximum amount of Debt Service due on any Outstanding Parity Obligations in a Fiscal Year during the period commencing with the Fiscal Year for which such calculation is made and within the next five years in which Debt Service for such Outstanding Parity Obligations will become due.

"Net Revenues" for any Fiscal Year means the sum of Revenues for such Fiscal Year less the sum of all Maintenance and Operation Costs for such Fiscal Year.

"Obligations" means (a) obligations with respect to borrowed money and includes loans or other evidences of indebtedness, installment purchase payments under any contract, and lease payments under any financing or capital lease (determined to be such in accordance with Generally Accepted Accounting Principles), which are payable from the Water Fund, (b) obligations to replenish any debt service reserve fund with respect to obligations of the City described in (a) above; (c) obligations secured by or payable from any of obligations of the City described in (a) above; (d) obligations payable from the Water Fund and entered into in connection with, relating to, or otherwise serving as a hedge with respect to, an obligation described in (a), (b) or (c) above under (1) any contract providing for payments based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices, (2) any contract to exchange cash flows or a series of payments, or (3) any contract to hedge payment, currency, rate spread or similar exposure, including but not limited to interest rate swap agreements and interest rate cap agreements; and (e) Credit Provider Reimbursement Obligations.

"Outstanding" means any Obligation that has not been discharged under the terms of the Issuing Instrument.

"Parity Obligations" means (a) the Authority Bond Payments, (b) the 2025 SRF Member Agency Payments payable under the 2025 SRF Financing Agreement, and (c) Additional Parity Obligations.

"Project" means the Vista Grande Drainage Basin Improvement project, located in City of Daly City, California, and consists of improvements to the regional stormwater drainage system infrastructure to manage flooding and enhance stormwater discharges to the Pacific Ocean, as more fully described in the WIFIA Loan Agreement.

"Qualified Swap Agreement" means a contract or agreement, payable from Net Revenues on a parity with the payment of Parity Obligations and satisfying the conditions of Section 8(a), intended to place Parity Obligations or the applicable investments on the interest rate, currency, cash flow or other basis desired by the City, including, without limitation, any interest rate swap agreement, currency swap agreement, forward payment conversion agreement or futures contract, any contract providing for payments based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices, any contract to exchange cash flows or a series of payments, or any contract, including,

without limitation, an interest rate floor or cap, or an option, put or call, to hedge payment, currency, rate, spread or similar exposure, between the City and a counterparty.

“Rate Stabilization Fund” means, the Rate Stabilization Fund established pursuant to Section 12 of this Agreement.

“Refunding Parity Obligations” means Parity Obligations issued for the purpose of refunding all or any portion of the Outstanding Parity Obligations and satisfying the conditions set forth in Section 6.

“Revenues” means, for each Fiscal Year, all gross income and revenue received by the City from the ownership or operation of the Water Enterprise, determined in accordance with Generally Accepted Accounting Principles, including:

(i) all rates, fees, and charges (including connection fees and charges) as received by the City for the services of the Water Enterprise,

(ii) amounts transferred into the Water Fund from any rate stabilization fund of the City and

(iii) all other income and revenue howsoever derived by the City from the ownership or operation of the Water Enterprise or arising from the Water Enterprise, including all income from the deposit or investment of any money in the Water Fund or any rate stabilization fund of the City or held on the City’s behalf,

minus amounts, if any, withdrawn by the City from Revenues during such Fiscal Year for deposit in the Rate Stabilization Fund and any moneys derived from refundable deposits and advances or contributions.

“SOFR” means the Secured Overnight Financing Rate.

“Subordinated Obligation” means any Obligation which is expressly made subordinate and junior in right of payment from the Water Fund to the payment of Parity Obligations.

“Uniform Commercial Code” or “UCC” means the Uniform Commercial Code, as in effect from time to time in the State of California.

“Water Enterprise” means all water collection, pumping, transport, treatment, storage, and disposal facilities, including land and easements thereof, owned by the City, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the City and determined to be a part of the Water Enterprise, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

“Water Fund” means the fund or funds established and held by the City with respect to the Water Enterprise for the receipt and deposit of Gross Revenues.

APPENDIX B

AUTHORITY BOND PAYMENT SCHEDULE City of Daly City

(the payment dates shown on the attached payment schedule reflect the due dates on the WIFIA Bond and the Authority Bond Payments are due not later than the fifth (5th) Business Day prior to each such payment date on the WIFIA Bond)

AMENDED AND RESTATED MEMORANDUM OF AGREEMENT

Vista Grande Drainage Basin Improvement Project

This AMENDED AND RESTATED MEMORANDUM OF AGREEMENT (this "Agreement"), dated as of ____, 2026, is among DALY CITY JOINT POWERS FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the "Authority"), CITY OF DALY CITY, a general city and municipal corporation established under the Constitution of the State of California (the "City") and NORTH SAN MATEO COUNTY SANITATION DISTRICT, a county sanitation district and subsidiary district of the City established under the laws of the State of California (the "District"), and amends and restates that certain Memorandum of Agreement, dated as of March 29, 2024, by and among the Authority, the City and the District (the "Original Agreement").

B A C K G R O U N D :

A. The City and the District desire to finance the costs of acquiring, constructing and/or reconstructing certain public facilities and improvements to maintain and enhance water quality, manage non-point source pollution, protect drinking water sources, and manage related impacts to City, District and regional water and wastewater systems including certain treatment facilities, pipelines and other infrastructure, which project is commonly referred to as the Vista Grande Drainage Basin Improvement Project (the "Project").

B. The City and the District are parties to a Joint Exercise of Powers Agreement, dated as of March 1, 2021 (as amended, the "Joint Powers Agreement"), pursuant to which the Authority was established as a joint exercise of powers authority under the Joint Exercise of Powers Act (Government Code §6500 et seq.) (the "Joint Powers Law") for the purpose of providing assistance to the City and the District with their financing programs, including the financing of the Project, and for any other financing purposes authorized under Article 4 of the Joint Powers Law and other applicable law.

C. The Joint Powers Agreement provides for agreements between the Authority and the Members (as defined in the Joint Powers Agreement) pursuant to which the Members would be obligated to pay their share of the debt service on bonds and other obligations of the Authority.

D. The Members have asked the Authority to assist them with obtaining financial assistance from the State Water Resources Control Board (the "State Water Board") pursuant to Section 13475 et seq. of the California Water Code, and the State Water Board, the Authority and the Members are concurrently entering into a Construction Loan Agreement (the "Construction Loan Agreement") for the purpose of financing the Project.

E. In connection with entering into the Construction Loan Agreement, the State Water Board required the Authority, the City and the District to enter into an agreement documenting their respective roles with respect to ownership and operation of the Project.

F. The Authority, the City and the District have determined that it is in their best interests to amend the Original Agreement to document certain additional terms in connection with a proposed financing provided by the Environmental Protection Agency under the Water Infrastructure Finance and Innovation Act.

A G R E E M E N T :

In consideration of the foregoing and the material covenants hereinafter contained, the City and the Authority formally agree as follows:

Section 1. Definitions. Capitalized terms used herein shall have the meanings given them in the preamble and Background section of this Agreement.

Section 2. Role of the Authority. The Authority, the City and the District hereby agree that the role of the Authority is limited to acting as a conduit to provide assistance with financing the Project, and that the Authority shall neither own nor operate the Project.

Section 3. Ownership of the Project. The City shall own the Project.

No entity other than the City shall own any portion of the Project.

Section 4. Construction of the Project. The City shall be responsible for construction of the Project, including the following specific tasks:

a. Selection of the third-party consultant to oversee the day-to-day activities of the planning, design, program implementation, communications, costs and schedule tracking, and construction of the Project.

b. To solicit bids, award, and enter into contracts for the Project.

c. To administer the construction, and review and approve construction contract progress payments and change orders as needed.

d. To approve, reject, or modify contracts for management, engineering and related studies and construction work, change orders, claim resolutions, and the acceptance of the completed construction of the Project.

e. To determine the adequacy of performance during the construction of the projects.

f. To apply for and receive any permits or consents required from other public agencies and entities for the Project.

g. To acquire by purchase, lease, gift, condemnation or otherwise, any real property or interest therein which it finds to be reasonably necessary for the Project.

The City shall pay the costs of constructing the portion of the Project related to the City's water enterprise from revenues of the water enterprise. The City shall send periodic invoices to the District to pay the costs of constructing the portion of the Project related to the District's wastewater enterprise.

The parties have agreed that 49.23% of the construction costs shall be allocable to the water enterprise and 50.77% of the construction costs shall be allocable to the District's wastewater enterprise. Within 18 months of Project completion, the parties agree to review actual construction costs, amend this Agreement in accordance with Section 7 to revise the allocation of construction costs, amend the Member Financing Agreements to revise the allocation of project related debt service, and take other actions as necessary to allocate actual construction costs including transfers of funds between the parties.

Section 5. Operation and Maintenance of the Project. The City shall be responsible for operating and maintaining the Project. More specifically, the City shall:

- a. maintain, repair, replace, improve, and operate the Project,
- b. solicit bids, award, and enter into contracts with third parties for services related to replacement, modification, or repair of the facilities, or parties thereof,
- c. annually prepare a budget including proposed capital improvements and operation, maintenance, and replacement costs; and to provide for the allocation of these costs as described herein,
- d. operate and maintain the Project in a reasonable and prudent manner,
- e. maintain insurance for the Project as appropriate, and
- e. comply with applicable laws and regulations and to act reasonably and prudently.

The City shall pay the costs of operating and maintaining the portion of the Project related to the City's water enterprise from revenues of the water enterprise. The City shall send periodic invoices to the District to pay the costs of operating and maintaining the portion of the Project related to the District's wastewater enterprise.

The parties have agreed that 49.23% of the operation and maintenance costs shall be allocable to the water enterprise and 50.77% of the operation and maintenance costs shall be allocable to the District's wastewater enterprise. After the first full fiscal year of operating and maintaining the Project, the parties agree to annually review actual operation and maintenance costs and amend this Agreement in accordance with Section 7 to revise the allocation of future operation and maintenance costs.

Section 6. Management of Project Financing. The City shall be responsible for managing the financing of the Project, including the financing obtained from the State Water Board.

The parties have agreed that 49.23% of the financing costs shall be allocable to the water enterprise and 50.77% of the financing costs shall be allocable to the District's wastewater enterprise. After Project completion, the parties agree to review actual

financing costs and transfer funds between parties if the actual allocation varies from this Agreement and to account for any financing costs specific to one party.

Section 7. Loans. In the event the City with revenues of the water enterprise makes a payment on behalf of the District's wastewater enterprise, such payment shall be treated as an unsecured loan by the City to the District that is payable from revenues of the wastewater enterprise and it shall accrue interest at a variable interest rate equal to the rate of return earned by the City's pooled investment portfolio from the date of the payment by the City through the repayment date.

In the event the District with revenues of the wastewater enterprise makes a payment on behalf of the City's water enterprise, such payment shall be treated as an unsecured loan by the District to the City that is payable from revenues of the water enterprise, and it shall accrue interest at a variable interest rate equal to the rate of return earned by the City's pooled investment portfolio from the date of the payment by the District through the repayment date.

Section 8. Conflict. In the event of any conflict between this Agreement and the Original Agreement, this Agreement shall govern.

Section 9. Amendment; Termination. The parties may mutually agree to amend or terminate this agreement at any time by written agreement.

Section 10. Governing Law. This Agreement will be construed in accordance with and governed by the laws of the State of California.

Section 11. Severability of Invalid Provisions. If any one or more of the provisions contained in this Agreement are for any reason held to be invalid, illegal or unenforceable in any respect, then such provision or provisions will be deemed severable from the remaining provisions contained in this Agreement and such invalidity, illegality or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority and the City each hereby declares that it would have entered into this Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Agreement may be held illegal, invalid or unenforceable.

Section 12. Execution of Counterparts; Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which will for all purposes be deemed to be an original and all of which together constitute but one and the same instrument.

The parties hereto acknowledge and agree that this Agreement may be executed by one or more electronic means (hereinafter referred to as "Electronic Signatures"). Each party hereto agrees that Electronic Signatures provided by such party shall constitute effective execution and delivery of this Agreement by such party to all other parties to or relying on this Agreement. Each party hereto agrees that Electronic Signatures shall constitute complete and satisfactory evidence of the intent of such party to be bound by those signatures and by the terms and conditions of this Agreement as signed. Each party

agrees that Electronic Signatures shall be deemed to be original signatures for all purposes.

Each party hereto agrees to accept Electronic Signatures provided by any and all other parties to this Agreement as (i) full and sufficient intent by such parties to be bound hereunder, (ii) effective execution and delivery of this Agreement and (iii) constituting this Agreement an original for all purposes, without the necessity for any manually signed copies to be provided, maintained or to exist for back up or for any other purpose.

If Electronic Signatures are used to execute this Agreement, each party hereto hereby accepts the terms of, and intends and does sign, this Agreement by its Electronic Signature hereto.

[Remainder of page intentionally left blank. Signatures on next page.]

IN WITNESS WHEREOF, the Authority and the City have caused this Agreement to be executed in their respective names by their duly authorized officers, all as of the date first above written.

**DALY CITY JOINT POWERS FINANCING
AUTHORITY**

By _____
Executive Director

ATTEST:

By _____
Secretary

CITY OF DALY CITY

By _____
City Manager

ATTEST:

By _____
City Clerk

**NORTH SAN MATEO COUNTY
SANITATION DISTRICT**

By _____
General Manager

ATTEST:

By _____
Secretary

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DALY CITY ADDING
CHAPTER 5.96 TO THE DALY CITY MUNICIPAL CODE TO ESTABLISH AN
ENTERTAINMENT ZONE PROGRAM PURSUANT TO CALIFORNIA BUSINESS AND
PROFESSIONS CODE SECTIONS 23039.5, 23357, 25690, 25691 & 25692
(AS AMENDED BY SB 969)

WHEREAS, the California Legislature passed SB 969, which amended the Alcoholic Beverage Control Act to permit cities, counties or combined cities/counties (on or after January 1, 2025) to establish “entertainment zones” by ordinance authorizing consumption of one or more types of alcoholic beverages in public streets, sidewalks or rights-of-way, subject to specified conditions.

WHEREAS, the City Council of the City of Daly City finds that creating such entertainment zones will promote economic vitality of commercial districts, support restaurants and bars, enhance special events, stimulate pedestrian activity and contribute to the downtown/corridor placemaking goals of the City;

WHEREAS, the City Council further finds that it is necessary to adopt a local ordinance to designate entertainment zones in compliance with state law, establish the process and conditions by which licensed premises may participate and patrons may consume alcoholic beverages in a public outdoor venue under controlled circumstances;

NOW, THEREFORE, the City Council of the City of Daly City does ordain as follows:

SECTION 1: Chapter 5.96 is hereby added to the Daly City Municipal Code to read as follows:

**CHAPTER 5.96
ENTERTAINMENT ZONES**

5.96.010	Purpose and Intent
5.96.020	Definitions
5.96.030	Designation of Zones; Boundaries; Activation
5.96.040	License Participation; Conditions
5.96.050	Responsibilities of Event Organizers/Zone Managers
5.96.060	Age Verification & Identifiability
5.96.070	Review, Evaluation and Reporting
5.96.080	Enforcement and Penalties

5.96.010 Purpose and Intent.

- A. This Chapter is adopted in furtherance of the authority granted under California Business & Professions Code § 23039.5 et seq., as amended by SB 969, to permit licensed businesses to sell or allow consumers to exit their licensed premises with open alcoholic beverage containers for consumption in designated public outdoor areas (“Entertainment Zones”).

- B. The purpose of this Chapter is to promote economic activity, pedestrian-oriented social spaces, special events, and cultural activation, while protecting public health and safety, mitigating negative externalities such as underage consumption, littering, and nuisance activity, and ensuring proper coordination among the City, law enforcement, licensees and event organizers.
- C. The City Council intends that participation by licensed businesses, event operators and patrons be subject to clear standards, defined zones, hours of operation, approved container types, identification procedures, and annual review to ensure continued compliance and public safety.
- D. Nothing in this Chapter authorizes conduct otherwise prohibited by state or local law, including but not limited to public intoxication, disorderly conduct, violations of noise regulations, or violations of health and safety codes.
- E. The City Council acknowledges that the California Department of Alcoholic Beverage Control (ABC) retains full authority to enforce the ABC Act and applicable regulations notwithstanding the City's designation of an Entertainment Zone.

5.96.020 Definitions.

- A. **"ABC Act"** means the California Business & Professions Code and the regulations promulgated by the California Department of Alcoholic Beverage Control (ABC) governing alcoholic beverage licenses.
- B. **"Entertainment Zone"** means a zone created by ordinance of the City of Daly City on or after January 1, 2025, that is designated in this Chapter (or subsequent amendment) and authorizes consumption of one or more types of alcoholic beverages on public streets, sidewalks or public rights-of-way within its defined boundaries during approved days and hours. (See Bus. & Prof. Code § 23039.5.)
- C. **"Licensed Premises"** means a premises holding a valid on-sale ABC license (e.g., Type 41, 42, 47, 48) or a licensed beer manufacturer or licensed winegrower as permitted under the ABC Act and eligible to participate under this Chapter.
- D. **"Participating Licensee"** means a licensee located within the boundaries of an Entertainment Zone that has submitted the required annual notice of intent to the ABC and the City (if required) and is permitted to allow patrons to exit its premises with open alcoholic beverage containers for consumption within the zone, subject to all applicable conditions.
- E. **"Open Container"** means an alcoholic beverage container that is open and that is permitted to leave the Licensed Premises for consumption in the Entertainment Zone in accordance with this Chapter and the ABC Act.
- F. **"Public Right-of-Way"** means a street, roadway, sidewalk, alley, plaza or other publicly owned pedestrian area open to the public.
- G. **"Non-glass/Non-metal Container"** means a cup or container other than glass or metal approved by the City for use in the Entertainment Zone.
- H. **"Special Event"** means an event approved pursuant to the City's special event permit process, where the activation of the Entertainment Zone is described, the boundaries defined, and related City, law enforcement, event organizer, and licensee coordination has been completed.

5.96.030 Designation of Zones; Boundaries; Activation.

- A. The City Council may by ordinance establish an Entertainment Zone Program pursuant to this Chapter and may, by resolution adopted in accordance with and pursuant to this Chapter designate one or more Entertainment Zones within the City, identifying for each zone:
 1. The geographic boundaries of the zone (streets/blocks/sidewalks/plazas).
 2. The types of alcoholic beverages permitted for consumption within the zone (e.g., beer, wine, mixed drinks) and the approved container types.
 3. The hours and days of operation during which open container consumption is permitted in the zone.
 4. The process of activating the zone (e.g., during a Special Event Permit) and if applicable recurring activations.
 5. Safety and supervision requirements, signage, age-verification protocols (21+ wristbands, etc.), security/staffing plans, trash/recycling disposal measures, and other management requirements.
 6. Zones designated by resolution shall be deemed established pursuant to and in reliance upon the authority granted by this Chapter.
- B. No alcohol consumption privileges under this Chapter may be authorized outside the hours of operation of the zone as set forth in the ordinance, nor during times when at least one Participating Licensee within the zone is not permitted to sell alcoholic beverages under its ABC license. (See Bus. & Prof. Code § 25691(a)–(b)).
- C. Prior to enactment of a new zone or modification of an existing zone, or its activation, the City shall notify its law enforcement agency (e.g., the Daly City Police Department) and request feedback regarding:
 1. Potential health and safety impacts (e.g., underage drinking, public intoxication, litter, traffic/parking, enforcement plans); and
 2. Proposed boundaries, days/hours, permitted beverage types, and approved container types. (See Bus. & Prof. Code § 25692(a)).
- D. The Participating Licensee shall annually submit its notice of intent to the ABC under the applicable state online tool.
- E. The City may require that alcoholic beverage containers authorized for use within an Entertainment Zone bear an event-specific or zone-specific marking, logo, or identifier to assist City staff and law enforcement in determining whether a container originated from a Participating Licensee.

5.96.040 License Participation; Conditions.

- A. A Licensed Premises within an Entertainment Zone that wishes to participate must:
 1. Be located within the defined zone boundaries.
 2. Submit annually the ABC notification of intent to participate in the open container privilege under the Entertainment Zone.
 3. Comply with all of the following conditions:
 - a. Only alcoholic beverages of the type(s) specified in the zone ordinance may be served/consumed.
 - b. Open alcoholic beverage containers may leave the licensed premises only through an exit that leads directly into the Entertainment Zone and only during the approved zone hours.

- c. No alcoholic beverages acquired outside the licensed premises may be introduced into the zone by patrons (i.e., no BYOB or closed containers brought in).
 - d. The licensee must use containers that are approved (non-glass, non-metal) per the zone ordinance, and patrons must be provided with wristbands or other identifiable marking to show age (21+) as required by the zone management plan.
 - e. Delivery of alcoholic beverages by the licensee or third-party service to patrons within the Entertainment Zone is prohibited unless the delivery is to a private residence or private business not licensed under the ABC Act.
- B. Participation by a licensee does not obligate the licensee to sell or provide alcoholic beverages for consumption off the premises. (See Bus. & Prof. Code § 23357(b)(2)).
- C. The City may suspend or revoke a licensee's local Entertainment participation privilege (or require additional conditions) upon a determination by the City Manager or designee, after consultation with the Daly City Police Department, that continued participation poses a risk to public health, safety, or welfare, or that repeated or material violations of this Chapter or an approved Zone Management Plan have occurred and if the licensee or associated event fails to comply with this Chapter or the applicable zone ordinance, or if public safety or nuisance issues arise. Any suspension or revocation shall apply solely to the privilege to participation in an Entertainment Zone under this Chapter. Such action shall not affect the underlying ABC license, which remains subject solely to ABC jurisdiction.

5.96.050 Responsibilities of Event Organizers/Zone Managers.

- A. When a Special Event Permit is sought to activate an Entertainment Zone, the event organizer shall, as part of the permit, include a "Zone Management Plan" that addresses:
 - 1. Age verification (21+ wristbands, checkout/entrance control),
 - 2. Security/staffing (liaison with Daly City Police Department and other enforcement agencies),
 - 3. Trash/recycling/disposal of containers (including separate receptacles for zone containers and requirements for returning or disposing containers before exit),
 - 4. Signage (clearly identifying zone boundaries, permitted containers, "no outside alcohol" rule, hours of operation),
 - 5. Patron flow/exit strategy (ensuring patrons exit licensed premises directly into the designated Entertainment Zone),
 - 6. Noise/lighting/clean-up plan consistent with the City's special event regulations and local nuisance/quiet hours codes,
 - 7. Coordination with participating licensees and training of their staff, and
 - 8. Reporting procedures: incident reporting to the Daly City Police Department within 24 hours if law enforcement responds to violence, public intoxication or other major incident (mirroring San José's model),
 - 9. Security Staffing and Public Safety Conditions: The Zone Management Plan shall include a security and staffing plan commensurate with the size, duration, location, and nature of the event and the anticipated number of patrons. Based on objective event characteristics, including but not limited to anticipated attendance, alcohol service scope, hours of operation, location-specific considerations, and prior

incident history, the City may require the use of state-licensed security guards as part of the approved security plan.

Nothing in this Chapter shall be construed to establish fixed security ratios or to limit the authority of the City Manager, Police Chief, or their designees to impose additional, modified, or alternative security conditions as necessary to protect public health and safety, including prior to or during an event.

5.96.060 Age Verification & Identifiability.

- A. Patrons consuming alcoholic beverages within the Entertainment Zone must be aged 21 or older.
- B. The City (or its designee) shall establish a wristband or other uniform age-verification marking system for all patrons consuming alcohol in the zone; all participating licensees and event organizers must comply. (See Bus. & Prof. Code § 25690(a)).

5.96.070 Review, Evaluation and Reporting

- A. The City (or its designated official or body) shall conduct a review of each Entertainment Zone every two (2) years following its adoption, in consultation with local law enforcement and other stakeholders, to evaluate whether the zone is being operated in a manner that protects health and safety, mitigates nuisance impacts, and supports economic goals. (See Bus. & Prof. Code § 25692(b)).
- B. The results of the review, including incidents, enforcement actions, issues with litter or noise, business participation and economic metrics, shall be made available to the ABC upon request.
- C. Based on the review, the Council may modify, suspend or revoke a zone's designation, change its boundaries or hours, require additional conditions or terminate the zone if warranted.

5.96.080 Enforcement and Penalties.

- A. Violation of any provision of this Chapter by a licensee, event organizer or patron may result in administrative or criminal enforcement actions as authorized by the Daly City Municipal Code or state law, including revocation of the licensee's participation privilege, suspension of event permits, fines, or other penalties.
- B. The City may adopt regulations, forms, fees and administrative procedures necessary to implement this Chapter.
- C. Enforcement of this Chapter is cumulative and in addition to any enforcement authority exercised by the California Department of Alcoholic Beverage Control or other regulatory agencies.

SECTION 2. Severability. If any section, subsection, provision or part of this Ordinance, or its application to any person or circumstance, is held to be unconstitutional or otherwise invalid, the remainder of this Ordinance, and the application of such provision to other person or circumstances, shall not be affected thereby and shall remain in full force and effect and, to that end, the provisions of this Ordinance are severable.

SECTION 3. Environmental Determination. The City Council finds, pursuant to Title 14 of the California Code of Regulations, Section 15378, that this Ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a project as provided by the Act, in that it does not have a potential for resulting in a detrimental physical change in the environment, directly or ultimately, as provided in Title 14, Section 15378(a), and that it is also exempt under the definition of "project" in Section 15378(b)(3) in that it concern general policy and procedure making.

SECTION 4. Publication and Effective Date. Pursuant to the provisions of Government Code Section 36933, a summary of this ordinance shall be prepared by the City Attorney. At least five (5) days prior to the Council meeting at which this ordinance is scheduled to be adopted, the City Clerk shall (1) publish the summary, and (2) post it in the City Clerk's Office a certified copy of this ordinance. Within fifteen (15) days after the adoption of this ordinance, the City Clerk shall (1) publish the summary and (2) post in the City Clerk's Office a certified copy of the full text of this ordinance along with the names of those City Council members voting for and against this ordinance or otherwise voting. This ordinance shall become effective thirty (30) days from and after its adoption.

Introduced this _____ 9th _____ day of _____ February _____, 2026.

Passed and adopted as an Ordinance of the City of Daly City at a regular meeting of the City Council of the City of Daly City held on the _____ day of _____, 2026, by the following vote:

AYES, Councilmembers: _____

NOES, Councilmembers: _____

ABSENT, Councilmembers: _____

CITY CLERK OF THE CITY OF DALY CITY

APPROVED:

MAYOR OF THE CITY OF DALY CITY