



REGULAR MEETING AGENDA

Board of Library Trustees

**7300 La Palma Ave. Buena Park, CA 90620
Building 10, Room 16**

October 6, 2026 | 6:00 P.M.

REPORTS AND DOCUMENTATION: *The District provides a public inspection copy of all materials included in the agenda packet distributed to the Board members at the meeting. Members of the public who wish to obtain a copy of any document may do so by completing a Public Records Request at <https://www.buenaparklibrary.org/public-records-request>.*

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meeting, please contact Library Administration at (714) 826-4100 Extension 120 at least 48 hours prior to the meeting so the Buena Park Library District may make reasonable arrangements to ensure accessibility to the meeting.

1. **CALL TO ORDER** (Library Board President)
2. **PLEDGE OF ALLEGIANCE** (Library Board President)
3. **ROLL CALL** (Library Board President)
4. **PRESIDENT'S REMARKS AND BOARD MEMBER COMMENTS**
This is the opportunity for the President and Board Members to give reports about conferences/training and comments on items of general interest to the community.
5. **COMMUNICATIONS AND COMMENTS FROM THE PUBLIC CONCERNING ITEMS NOT ON THE AGENDA** (3 MINUTES PER SPEAKER)
Individuals may address the Board regarding any item of Library District business not on the agenda. While all comments are welcome, the Brown Act does not allow the Board to take action on any item not on the agenda.

CONSENT CALENDAR (Items 6-10)

The Consent Calendar adopting the printed Recommended Board Action will be enacted with one vote. The Board President will first ask the staff and the Board if there is anyone who wishes to remove any item from the Consent Calendar for discussion and consideration.

Recommendation: Approve items 6-10 on the Consent Calendar.

6. Minutes of the Board of Library Trustees Regular Meeting on September 1, 2026 (Receive, File, and Approve)
7. Payment Register for August 2026 (Receive and file)
8. Approval of expenditure in the amount of \$5,864.98 to Mars Environmental, Inc. for waste removal services and a \$586.50 contingency
9. Approval to Deny Claim for Damages – Raymond Garcia
10. Approval of the National Purchasing Cooperative Interlocal Participation Agreement with BuyBoard

REPORTS FROM LIBRARY ADMINISTRATION

11. Monthly Statistical Reports
 - Database Usage for August 2026
 - Trend Analysis for August 2026
 - Program Statistics Summary for August 2026
12. Library Director's Report for September 2026

FINANCIAL REPORTS

13. Analytical Financial Overview for July 2026 – August 2026
14. Summary of Budget vs Actuals July 2026 – August 2026
15. Budget vs Actuals Detailed Statement July 2026 – August 2026
16. Summary Statement of Revenues, Expenditures and Changes in Fund Balance July 2026 – August 2026
17. Detailed Statement of Revenues, Expenditures and Changes in Fund balance July 2026 – August 2026
18. Treasurer's Report July 2026 – August 2026

NEW BUSINESS

19. Resolution 2026-22 authorizing the execution of a Site Lease and a Lease Agreement in an amount of \$4,724,87.78 to finance the Library Renovation Project; making certain determinations relating hereto; and authorizing certain other documents and action in connection therewith
 - Recommended Action: 1) Adopt Resolution 2026-22 of the Board of Trustees of the Buena Park Library District approving a site lease and a lease agreement; making certain determinations relating thereto; and authorizing certain other documents and actions in connection therewith
20. Resolution 2026-23 Approving Amendment No. 1 to Independent Consultant Agreement for Construction Management Services by and between Buena Park Library and Griffin Structures, Inc. in an amount not-to-exceed \$565,385.00
 - Recommended Action: 1) Adopt resolution 2026-23 approving amendment no. 1 to Independent Consultant agreement for Construction Management Services by and between Buena Park Library and Griffin Structures, Inc. in an amount-to-exceed \$565,385.00; 2) authorize the Library Director to make any necessary non-monetary changes to the agreement; and 3) Authorize the Library Director to execute the agreement.

21. Approval of agreement with A-Tech Consulting, Inc. for hazardous materials assessment and monitoring services in an amount not-to-exceed \$44,695.00
- Recommended Action: 1) Approve the agreement with A-Tech Consulting, Inc. for hazardous materials assessment and monitoring services in an amount not-to-exceed \$44,695.00; 2) Authorize the Library Director to make any non-monetary changes to the agreement; and 3) Authorize the Library Director to execute the agreement.

FUTURE AGENDA ITEMS

22. Agenda preparation for the Regular Meeting which will be held on November 3, 2026, at 6:00 p.m.

This is the time for board members to publicly request that items be placed on future agendas.

CLOSED SESSION

23. Public Employee Evaluation ((Gov. Code § 54957(b)(1))
- Employee: Library Director

ADJOURNMENT

CERTIFICATION OF POSTING

I, Patty Salas, Administrative Specialist of the Buena Park Library District, hereby certify that the Agenda for the October 6, 2026, Regular Meeting of the Board of Library Trustees of the Buena Park Library District was posted on October 2, 2026, at 7300 La Palma Ave Buena Park, CA and online at www.buenaparklibrary.org.

P S

Patty Salas, Administrative Specialist

MINUTES
REGULAR MEETING OF THE BOARD OF TRUSTEES
OF THE
BUENA PARK LIBRARY DISTRICT
September 1, 2026

CALL TO ORDER: President Estrada called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL

Board Members Present: Brenda Estrada, L. Carole Jensen, Christian Quintero, Richard Rams, and Rudy Solorzano.

Staff Present: Helen Medina, Library Director; Patty Salas, Administrative Specialist.

Guests Present: Ann Thompson, Library Services Manager; Leonard Marshall from Griffin Structures, Inc.; and Carlos Franco, Buena Park resident and City Councilmember.

PRESIDENT’S REMARKS AND BOARD MEMBER COMMENTS

President Estrada stated she attended CSDA’s Annual conference, and she felt it was a great opportunity to learn about special districts in California. She said she brought back useful information that she would share with the Board through email.

COMMUNICATIONS AND COMMENTS FROM THE PUBLIC CONCERNING ITEMS NOT ON THE AGENDA

There were no public comments.

CONSENT CALENDAR (ITEMS 6-7)

6. Minutes of the Board of Library Trustees Regular Meeting on August 4, 2026 (Received, filed, and approved)
7. Payment Register for July 2026 (Received and filed)

MOTION by Trustee Solorzano to approve the Consent Calendar.

SECOND by Trustee Quintero.

AYES: Estrada, Jensen, Quintero, Rams, and Solorzano.

Motion passed unanimously.

REPORTS FROM LIBRARY ADMINISTRATION

8. Monthly Statistical Reports
 - a. Database Usage for July 2026
 - b. Trend Analysis for July 2026
 - c. Program Statistics Summary for July 2026

Director Medina noted that the Newsbank subscription to OC Register continues to perform very well.

MINUTES
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9. Library Director's Report for August 2026

Director Medina stated she had a great time at CSDA's Annual Conference. They received important training and interacted with other general managers and board members from throughout the state. She thanked President Estrada for attending with her.

10. Account Summary CalPERS CERBT Report for Quarter ending June 30, 2026

It was noted that CalPERS has discontinued creating quarterly summary reports. The account summary has been included in the Board packet for the Board's review.

FINANCIAL REPORTS

- 11. Analytical Financial Overview July 2026
- 12. Summary of Budget vs Actuals July 2026
- 13. Budget vs Actuals Detailed Statement July 2026
- 14. Revenue and Expenditures Summary Statement July 2026
- 15. Revenue and Expenditures Detailed Statement July 2026
- 16. Treasurer's Report for July 2026

These items were not available in time for the Board meeting. Director Medina noted that District staff and our accounting consultant are currently working with auditors to finalize June 30 numbers. A financial update will be provided at the next meeting.

NEW BUSINESS

17. Award of Construction Contract for Library Renovation Project to Monet Construction in the amount of \$6,953,432

This project has been in the planning stages for over 3 years. It was initialized to address multiple critical infrastructure issues the District has faced. In August 2024, the District hired LPA, Inc. to design the project. The project went out to bid in June 2026. Bids were opened on August 19, 2026, Monet Construction was the lowest, responsive and responsible bidder. A 15% contingency is being included to allow construction to continue in the event of any unforeseen conditions or issues arise. As construction begins, there may be unforeseen conditions discovered, especially due to the age of the building.

Trustee Jensen asked how change orders would be approved. Director Medina stated Griffin Structures as construction project manager and LPA would review any change orders with staff to ensure they are appropriate and the District would approve them. She noted it is not the intention to use contingency to simply add or change scope of work without Board approval.

Buena Park resident Carlos Franco thanked the Board for considering upgrades to the Library building. He noted that the 15% contingency may appear high but expressed his support and commented on the need for it because of the building's age and the expectation of a strong El Niño during the winter.

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MOTION by Trustee Quintero to 1) Adopt Resolution 2026-20 awarding a Construction Contract for the Library Renovation Project; 2) Award the construction contract for the Library Renovation Project to Monet Construction, Inc., the lowest responsible and responsive bidder, in the amount of \$6,953,432.00; 3) Authorize a construction contingency of \$1,043,015.00 for unforeseen conditions and necessary project changes during construction; and 4) authorize the Library Director to administer the construction contract and approve change orders within the authorized contingency amount and in accordance with District policies and applicable law.

SECOND by Trustee Solorzano.

AYES: Estrada, Quintero, Rams, and Solorzano.

ABSTAIN: Jensen

Motion passed with 4 ayes, 0 nays, and 1 abstention.

18. Approve the award of a contract to Yamada Enterprises not to exceed \$440,807.46 using the California Multiple Award Schedule Contract (CMAS) #4-24-08-1008

Director Medina stated a part of the renovation project will include replacing the high shelving on the first floor. These shelves do not meet code requirements. The District would plans to utilize Yamada Enterprises to procure new shelving.

Trustee Jensen asked if this was a new vendor or someone we worked with in the past. The Director stated Yamada had worked with the District in the past providing the shelving on the 2nd floor and the Quiet study room desks. Yamada would be able to provide new shelves to match the shelving that is not being replaced.

MOTION by Trustee Rams to 1) Approve the award of a contract to Yamada Enterprises pursuant to the State of California CMAS contract #4-24-08-1008 for furniture and shelving relocation, protection, procurement, design coordination, and installation services associated with the Library Renovation Project; 2) Authorize an expenditure not-to-exceed \$440,807.46; 3) Authorize the Library Director to make any necessary non-monetary changes to the agreement; and 4) Authorize the Library Director to execute the agreement.

SECOND by Trustee Quintero.

AYES: Estrada, Jensen, Quintero, Rams, and Solorzano.

Motion passed unanimously.

Director Medina thanked Leonard Marshall from Griffin Structures for all his assistance on this project.

19. Resolution 2026-21 Adopting a Conflict of Interest Code Policy and amendments to Conflict of Interest Code Filers

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It is a legal requirement to review conflict of interest code every two-years. Director Medina had observed we did not have an approved conflict of interest policy. This will establish the policy for our records.

MOTION by Trustee Jensen to 1) Adopt resolution 2026-21 adopting a Conflict of Interest Code Policy; and 2) Approve Code Amendments as presented

SECOND by Trustee Quintero.

AYES: Estrada, Jensen, Quintero, Rams, and Solorzano.

Motion passed unanimously.

FUTURE AGENDA ITEMS

19. Agenda preparation for the Regular Meeting which will be held on October 6, 2026, at 6:00 p.m.

There were no requests.

CLOSED SESSION

20. Public Employee Evaluation ((Gov. Code Section 54957 (b)(1))
 - Employee: Library Director

MOTION by Trustee Rams to enter into closed session at 6:27 p.m.
SECOND by Trustee Solorzano.

AYES: Estrada, Jensen, Quintero, Rams, and Solorzano.

MOTION approved.

MOTION by Trustee Jensen to return to open session at 7:43 p.m.
SECOND by Trustee Rams.

AYES: Estrada, Jensen, Quintero, Rams, and Solorzano.

MOTION approved.

The Board stated no reportable action was taken.

ADJOURNMENT

MOTION by Trustee Jensen to adjourn the meeting.
SECOND by Trustee Quintero.

AYES: Estrada, Jensen, Quintero, Rams, and Solorzano.

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MOTION approved.

The meeting was adjourned at 7:43 p.m.

Submitted by,

Christian Quintero
Secretary

Buena Park Library District
August 2026 Payments

Date	Check No.	Vendor	Purpose	Amount
8/5/2026	ACH	CALPERS	Retirement	6,615.37
8/5/2026	ACH	CALPERS	Retirement	476.47
8/5/2026	ACH	CALPERS	Retirement	226.12
8/7/2026	ACH	ADP	Payroll Processing	294.38
8/11/2026	ACH	CALPERS	Health Benefits	24,469.88
8/11/2026	ACH	CALPERS	457 Plan	2,711.57
8/13/2026	ACH	ADP	Wages	39,900.15
8/13/2026	ACH	ADP	Payroll Taxes	9,605.95
8/17/2026	ACH	BofA	Fee	1,115.60
8/17/2026	14035	KC Digital Solutions, Inc.	Copier Service	133.96
8/17/2026	14036	So Cal Edison	Electricity Usage	7,172.52
8/17/2026	14037	Townsend Public Affairs, Inc.	Professional Services	3,500.00
8/17/2026	14038	SoCalGas	Gas Usage	16.25
8/17/2026	14039	Kone, Inc.	Elevator Maintenance	862.14
8/17/2026	14040	Cengage Learning Inc/ Gale	Large Print Books	2,613.02
8/17/2026	14041	INTELEPEER Holdings, Inc	Voice Service	395.84
8/17/2026	14042	Park Disposal	Waste Disposal	578.20
8/17/2026	14043	Santiago Library System	Membership Dues	626.27
8/17/2026	14044	EarthCo Landscape	Landscape Service	1,238.00
8/17/2026	14045	Griffin Structures, Inc.	Construction Management	14,561.68
8/21/2026	ACH	CALPERS	Retirement	6,615.37
8/21/2026	ACH	CALPERS	Retirement	476.47
8/21/2026	ACH	CALPERS	Retirement	307.26
8/21/2026	ACH	ADP	Payroll Processing	294.38
8/27/2026	ACH	ADP	Wages	39,990.10
8/27/2026	ACH	ADP	Payroll Taxes	9,675.14
8/27/2026	ACH	CALPERS	457 Plan	2,711.57
8/28/2026	14046	Dannis Woliver Kelley	Legal Services	3,966.00
8/28/2026	14047	Regional Government Services	Professional Services	14,554.94
8/28/2026	14048	Imperial County Office of Education	CENIC	133.11
8/28/2026	14049	Humana Insurance Co.	Employee Ancillary Benefits	1,485.98
8/28/2026	14050	Pre-Paid Legal Services	Employee Paid Benefit	200.72
8/28/2026	14051	Amazon Capital Services	Supplies and Books	1,304.25
8/28/2026	14052	Park Disposal	Waste Disposal	578.20
8/28/2026	14053	Centralia Elementary School District	License Agreement	13,500.00
8/28/2026	13054	EarthCo Landscape	Landscape Repair	373.06
8/28/2026	13055	LPA Inc.	Architectural Services	11,797.45
			Total	\$225,077.37



BUENA PARK Library District

Staff Report- Agenda Item 8

Date: October 6, 2026
To: Board of Library Trustees
From: Helen Medina, Library Director
Subject: Approval of expenditure in the amount of \$5,864.98 to Mars Environmental, Inc. for waste removal services and \$586.50 contingency

Recommended Action(s):

Agenda Item 8

- 1) Approve expenditure in the amount of \$5,864.98 to Mars Environmental, Inc. for waste removal services
- 2) Approve contingency of 10% in the amount of \$586.50 to allow for additional waste disposal fees that may be issued at final invoicing

Background:

The District has identified a collection of remaining paints, chemicals, and other items found within its main building, ancillary buildings, and around the property that requires hazardous waste disposal services before the building is turned over to the contractors for construction. These items cannot be disposed of in regular waste disposal bins and require special waste disposal.

Discussion:

The District's purchasing policy requires Board approval of expenditures exceeding \$5,000. To ensure the items are removed by the placement of the construction fence on October 6, 2026, staff has scheduled the removal of the hazardous materials on October 5, 2026, and requires the Board to ratify this action. The Director will report the final expenditure to the Board.

Fiscal Impact:

The anticipated financial impact is estimated to be \$5,864.98. Staff requests a 10% contingency of \$586.50 to allow for any changes noted by the waste hauler at the time of collection.

Attachments:

Exhibit A: Mars Environmental, Inc. estimate dated 9/8/2026

Mars Environmental, Inc.
(714) 692-2358
MarsEnvironmental@gmail.com

Estimate

DATE	ESTIMATE NO.
9/8/2026	090826.1

NAME / ADDRESS
Buena Park Library District Helen Medina 7150 La Palma Avenue Buena Park, CA 92620

Pick up address

			TERMS
			COD
ITEM	DESCRIPTION	QTY	TOTAL
Aerosols 5	Commodity Pack Flammable Aerosols, No Pesticides, No halogens. Aerosol Cans, 5 gal	1	399.00
CP Basic* 1-30%, 5	Basic commodity pack with conc. of 1-30%, 5 gal	1	370.00
NR CP 55	Non RCRA commodity pack, drum, 55 gal. Hard to handle items: Paints, inks, resins, epoxies, polymers	1	195.00
CP Toxic Solid 5	Toxic solid labpack, 5 gal	1	735.00
CP Acid 1-30%*, 5	Acids with conc. of 1-30%, 5 gal Commodity pack. Chromic excluded.	1	370.00
CP Flam 55	Flammable Commodity pack of 1-5 gallon containers of pourable/scrappable liquids (no isocyanates, amines) Drums in excess of 165 lbs may be surcharged at 4.47/lb.	1	724.00
PROPANE	Propane Cylinders, BBQ size	1	60.00
Box 5	5 gallon size box for commodity packs/solids with 4 mil liner	4	88.00T
Box 55	55 gallon size box for commodity packs/solids with 4 mil liner	2	130.00T
SUPERVISOR	Labor, Working Supervisor, \$98.00 per hour, may be billed actual, estimated hours.	5	490.00
IN HOUSE LABOR	In house labor, sds search, paper packs, categorization, etc.	1	85.00
Manifest Fee	Mandatory EPA Manifest fee	4	220.00
RCRA Profiling fee	Mandatory RCRA profiling fee for new profiles and profile renewals.	3	495.00
stop fee 7-10	Stop fee to pick up drums/boxes/totes. Up to 10 drums (cyb = 4 drums)		595.00
Please email signed copy to MarsEnvironmental@gmail.com to accept terms		TOTAL	

SIGNATURE _____ PO Number _____

BILLING EMAIL _____ EPA Number _____

Days/Hours _____ Alt.Contact name/PH _____

Estimate

Pick up address

Please email signed copy to MarsEnvironmental@gmail.com to accept terms	TOTAL	\$5,864.98
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<https://dtsc.ca.gov/apply-for-hazardous-waste-epa-id-number/>

Alt.Contact name/PH ...



Agenda Item 9

Date: October 6, 2026
To: Board of Library Trustees
From: Helen Medina, Library Director
Subject: Claim for damages submitted by Raymond Garcia

Recommended Action:

- 1) Reject the claim for damages submitted by Raymond Garcia on September 18, 2026
- 2) Direct the Library Director to issue a Notice of Rejection

Background:

On September 18, 2026, a claim for damages was presented to agency staff from Raymond Garcia alleging wrongful termination and retaliation.

Discussion:

Staff reviewed the claim and recommends that the Board of Trustees reject the claim.

Fiscal Impact:

None.

Recommendation:

Reject the claim for damages submitted by Raymond Garcia and direct the Library Director to issue a Notice of Rejection.

Exhibit:

None.



Date: October 6, 2026
To: Board of Library Trustees
From: Helen Medina, Library Director
Subject: Approve the National Purchasing Cooperative Interlocal Participation Agreement with BuyBoard

Recommended Action:

- 1) Approve the National Purchasing Cooperative Interlocal Participation Agreement with BuyBoard
- 2) Authorize the Library Director to execute the agreement and related participation documents necessary for the District to participate in the cooperative purchasing program

Background:

BuyBoard is a national cooperative purchasing organization originally organized for schools in Texas that is now available to government agencies and schools nationwide. It provides public agencies with access to competitively solicited and publicly awarded contracts for a wide range of goods and services. Participation in the program is established through execution of the National Purchasing Cooperative Interlocal Participation Agreement. Approval of the agreement does not obligate the District to purchase any goods or services.

District Policy and state law authorize the District to utilize cooperative purchasing.

Discussion:

Participation in the BuyBoard cooperative purchasing program will provide the District with an additional procurement resource that can improve efficiency while maintaining compliance with public purchasing requirements. By utilizing competitively solicited cooperative contracts, the District may reduce the time and administrative costs associated with conducting separate solicitations, increase access to qualified vendors, and potentially achieve cost savings through cooperative pricing.

Execution of the National Purchasing Cooperative Interlocal Participation Agreement with BuyBoard only authorizes the District to participate in the cooperative purchasing program. It does not authorize any specific purchase or contract. Individual contracts or purchases that require Board approval under the District's purchasing policies will continue to be presented to the Board for review and approval prior to execution.

Recommendation:

Approve the National Purchasing Cooperative Interlocal Participation Agreement with BuyBoard and authorize the Library Director to execute the agreement and related participation documents necessary for the District to participate in the cooperative purchasing program.

Fiscal Impact:

There is no fiscal impact associated with approval of the National Purchasing Cooperative Interlocal Participation Agreement. Any future purchases made through the program will be subject to available budget appropriations and the Library's established purchasing and approval requirements.

Exhibit:

National Purchasing Cooperative Interlocal Participation Agreement with BuyBoard

NATIONAL PURCHASING COOPERATIVE INTERLOCAL PARTICIPATION AGREEMENT

This Interlocal Participation Agreement (“Agreement”) is made and entered into on the date indicated below by and between the National Purchasing Cooperative (“Cooperative”), an administrative agency of cooperating local governments and other governmental entities, acting on its own behalf and the behalf of all participating governmental entities, and the undersigned governmental entity (“Cooperative Member”).

I. RECITALS

WHEREAS, the National Purchasing Cooperative was formed on May 26, 2010, by certain local governments that entered into an Organizational Interlocal Agreement; and

WHEREAS, the purpose of the Cooperative is to facilitate compliance with state procurement requirements, to identify qualified vendors of commodities, goods and services, to relieve the burdens of the governmental purchasing function, and to realize potential economies of scale, including administrative cost savings, for Cooperative Members;

NOW THEREFORE, in consideration of the mutual covenants, promises and obligations contained herein, the undersigned Cooperative Member and the Cooperative agree as follows:

II. TERMS AND CONDITIONS

1. **Adopt Organizational Interlocal Cooperation Agreement.** The Cooperative Member by the execution or acceptance of this Agreement hereby adopts and approves the Organizational Interlocal Agreement, as last amended and restated, which agreement is incorporated herein by reference (and is available from the Cooperative upon request). The Organizational Interlocal Agreement establishes the Cooperative as an administrative agency of its collective participants, and Cooperative Member agrees to become a participant or additional party to the Organizational Interlocal Agreement.

2. **Term.** The initial term of this Agreement shall commence on the date it is executed by both parties and shall automatically renew for successive one-year terms unless sooner terminated in accordance with the provisions of this Agreement. If the Cooperative Member is an existing Cooperative Member that joined the Cooperative by executing a participation agreement which authorized amendment upon the Cooperative providing prior written notice, then this Agreement will be deemed an Amendment by Notice, effective on the 61st day that the Cooperative Member is sent notice of this Agreement. In addition, this Agreement will continue to automatically renew for successive one-year terms on the anniversary date of the Cooperative Member’s initial term (not the effective date of the amendment), unless the Agreement is sooner terminated in accordance with the provisions herein.

3. Termination.

(a) **By the Cooperative Member.** This Agreement may be terminated by the Cooperative Member at any time by 30 days prior written notice to the Cooperative as provided in Article III, Section 14, provided any amounts owed to any vendor have been fully paid.

(b) **By the Cooperative.** The Cooperative may terminate this Agreement by:

(1) Giving 10 days notice as provided in Article III, Section 14, to the Cooperative Member if the Cooperative Member breaches this Agreement; or

(2) Giving 30 days notice as provided in Article III, Section 14, to the Cooperative Member with or without cause.

(c) **Termination Procedure.** If the Cooperative Member terminates its participation under this Agreement or breaches this Agreement, or if the Cooperative terminates participation of the Cooperative Member, the Cooperative Member shall bear the full financial responsibility for all of its purchases made from vendors under or through this Agreement. The Cooperative may seek the whole amount due, if any, from the terminated Cooperative Member. In addition, the Cooperative Member agrees it will not be entitled to any distribution which may occur after the Cooperative Member terminates from the Cooperative.

4. **Payments by Cooperative Member.** The Cooperative Member will make timely payments to the vendor for the goods, materials and services received in accordance with the terms and conditions of the bid invitation, instructions, and all other applicable procurement documents. Payment for goods, materials and services and inspections and acceptance of goods, materials and services ordered by the procuring Cooperative Member shall be the exclusive obligation of the procuring Cooperative Member, and not the Cooperative. Furthermore, the Cooperative Member is solely responsible for negotiating and securing ancillary agreements from the vendor on such other terms and conditions, including provisions relating to insurance or bonding, that the Cooperative Member deems necessary or desirable under federal, state or local law, local policy or rule, or within its business judgment.

5. **Payments by Vendors.** The parties agree that the Cooperative will require payment from vendors which are selected to provide goods, materials or services to Cooperative Members. Such payment (hereafter "Vendor Fees") may be up to two percent (2%) of the purchase price paid by Cooperative Members or a flat fee amount that may be set from time to time by the Cooperative Board of Directors. Cooperative Member agrees that these Vendor Fees fairly compensate the Cooperative for the services and functions performed under this Agreement and that these Vendor Fees enable the Cooperative to pay the administrative, licensing, marketing, and other expenses involved in successfully operating a program of electronic commerce for the Cooperative Members. Further, Cooperative Member affirmatively disclaims any rights to such Vendor Fees, acknowledging all such fees are the property of the Cooperative. Similarly, in no event shall a Cooperative Member be responsible for payment of Vendor Fees.

6. **Distribution.** From time to time, and at the sole discretion of the Cooperative Board of Directors, the Cooperative may issue a distribution to Cooperative Members under a plan developed by the Cooperative Board of Directors. The Cooperative Member acknowledges that a distribution is never guaranteed and will depend on the overall financial condition of the Cooperative at the time of the distribution and the purchases made by the Cooperative Member.
7. **Administration.** The Cooperative may enter into contracts with others, including non-profit associations, for the administration, operation and sponsorship of the purchasing program provided through this Agreement. The Cooperative will provide reports, at least annually, to the Cooperative Member electronically or by mail. Cooperative Member will report purchase orders generated under this Agreement to the Cooperative or its designee, in accordance with instructions of the Cooperative.
8. **BuyBoard®.** Cooperative Member will have a non-exclusive license to use the BuyBoard electronic purchasing application during the term of this Agreement. Cooperative Member acknowledges and agrees that the BuyBoard electronic application and BuyBoard trade name are owned by the Texas Association of School Boards, Inc. ("TASB"), and that neither the Cooperative nor the Cooperative Member has any proprietary rights in the BuyBoard electronic application or trade name. The Cooperative Member will not attempt to resell, rent, or otherwise distribute any part of BuyBoard to any other party; nor will it attempt to modify the BuyBoard programs on the server or acquire the programming code. The Cooperative Member may not attempt to modify, adapt, translate, distribute, reverse engineer, decompile, or disassemble any component of the application. The Cooperative Member will use BuyBoard in accordance with instructions from the Cooperative (or its designee) and will discontinue use upon termination of participation in the Cooperative. The Cooperative Member will maintain equipment, software and conduct testing to operate the BuyBoard system at its own expense.

III. GENERAL PROVISIONS

1. **Amendment by Notice.** The Board may amend this Agreement, provided that prior written notice is sent to the Cooperative Member at least 60 days prior to the effective date of any change described in such amendment and provided that the Cooperative Member does not terminate its participation in the Cooperative before the expiration of said 60 days.
2. **Authorization to Participate and Compliance with Local Policies.** Each Cooperative Member represents that its governing body has duly authorized its participation in the Cooperative and that the Cooperative Member will comply with all state and local laws and policies pertaining to purchasing of goods and services through its membership in the Cooperative.
3. **Bylaws.** The Cooperative Member agrees to abide by the Bylaws of the Cooperative, as they may be amended, and any and all written policies and procedures established by the Cooperative that apply to Cooperative Members. The Cooperative shall provide written notice to the Cooperative Member of any amendment to the Bylaws of the Cooperative and any written policy or procedure of the Cooperative that is intended to be binding on and applicable to the Cooperative Member. In addition to any other notice method specified in this Agreement, notice under this Section may be satisfied by posting of the applicable bylaws,

policy, or procedure on the Cooperative's website or BuyBoard application landing page for Cooperative Members.

4. **Cooperation and Access.** The Cooperative Member agrees that it will cooperate in compliance with any reasonable requests for information and/or records made by the Cooperative. The Cooperative reserves the right to review and audit the relevant and available records of any Cooperative Member. Any breach of this provision shall be considered material and shall make the Agreement subject to termination on 10 days written notice to the Cooperative Member.

5. **Coordinator.** The Cooperative Member agrees to appoint a program coordinator who shall have express authority to represent and bind the Cooperative Member, and the Cooperative will not be required to contact any other individual regarding program matters. Any notice to or any agreements with the coordinator shall be binding upon the Cooperative Member. The Cooperative Member reserves the right to change the coordinator as needed by giving written notice to the Cooperative. Such notice is not effective until actually received by the Cooperative.

6. **Current Revenue.** The Cooperative Member hereby represents that all payments, fees, and disbursements required of it hereunder shall be made from current revenues budgeted and available to the Cooperative Member.

7. **Defense and Prosecution of Claims.** The Cooperative Member authorizes the Cooperative to handle the commencement, defense, intervention, or participation in a judicial, administrative, or other governmental proceeding or in an arbitration, mediation, or any other form of alternative dispute resolution, or other appearances of the Cooperative (as an entity) in any litigation, claim or dispute which arises from the services provided by the Cooperative. Neither this provision nor any other provision in this Agreement will create a legal duty for the Cooperative to provide a defense or prosecute a claim; rather, the Cooperative may exercise this right in its sole discretion and to the extent permitted or authorized by law. The Cooperative Member shall reasonably cooperate and supply any information necessary or helpful in such prosecution or defense. Subject to specific revocation, the Cooperative Member hereby designates the Cooperative to act as a class representative on its behalf in matters arising out of this Agreement and pertaining to the collective or predominant interest of Cooperative Members. Nothing herein grants the Cooperative any rights to file, defend, or settle any claim on behalf of the Cooperative Member in its individual capacity.

8. **Governance.** The Board of Directors (Board) will govern the Cooperative in accordance with the Bylaws.

9. **Legal Authority.** The Cooperative Member represents to the Cooperative the following:

- a) The Cooperative Member has conferred with legal counsel and determined it is duly authorized by the laws of the jurisdiction in which the Cooperative Member lies to participate in cooperative purchasing, and specifically, the National Purchasing Cooperative.
- b) The Cooperative Member possesses the legal authority to enter into this Agreement and can allow this Agreement to automatically renew without subsequent action of its governing body.
- c) Purchases made under this Agreement will satisfy all procedural procurement requirements that the Cooperative Member must meet under all applicable local policy, regulation, or state law.

d) All requirements—local or state—for a third party to approve, record or authorize the Agreement have been met.

10. **Disclaimer.** THE COOPERATIVE, ITS ENDORSERS, SPONSORS, AND SERVICING CONTRACTORS, WHETHER CURRENT OR FORMER AND INCLUDING TASB, (“COOPERATIVE AND ASSOCIATES”) DO NOT WARRANT THAT THE OPERATION OR USE OF COOPERATIVE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE.

THE COOPERATIVE AND ASSOCIATES HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

11. **Limitation of Liability.** To the extent permitted by law and without waiver of the disclaimer or other limitation of liability in this Agreement, the parties agree that:

- a) Neither party waives any immunity from liability afforded under law;
- b) In regard to any lawsuit or formal adjudication arising out of or relating to this Agreement, neither party shall be liable to the other under any circumstance for special, incidental, consequential, or exemplary damages;
- c) The maximum amount of damages recoverable will be limited to the amount of fees which the Cooperative received as a direct result of the Cooperative Member’s purchase activity, within 12 months of when the lawsuit or action was filed; and
- d) In the event of a lawsuit or formal adjudication the prevailing party will be entitled to recover reasonable attorney’s fees.

Without waiver of the disclaimer or other limitation of liability in this Agreement, the parties further agree to limit the liability of Cooperative and Associates up to the maximum amount each received from or through the Cooperative, as a direct result of the undersigned Cooperative Member’s purchase activity, within 12 months of the filing of any lawsuit or action.

12. **Limitation of Rights.** Except as otherwise expressly provided in this Agreement, nothing in this Agreement is intended to confer upon any person, other than the parties hereto, any benefits, rights, or remedies under or by reason of this Agreement.

13. **Merger/Entirety.** This Agreement, together with the Cooperative’s Bylaws and Organizational Interlocal Agreement, as amended and restated, represents the complete understanding of the Cooperative and Cooperative Member. To the extent there exists any conflict between the terms of this Agreement and that of prior agreements, the terms of this Agreement shall control and take precedence over all prior participation agreements.

14. **Notice.** Any written notice to the Cooperative may be given by email to BuyBoard Administrator at membership@buyboard.com; by U.S. mail, postage prepaid, and delivered to the National Purchasing Cooperative, P.O. Box 400, Austin, Texas 78767-0400; by overnight courier or hand delivery to National Purchasing Cooperative, 12007 Research Blvd., Austin, Texas 78759; or by other mode of delivery typically

used in commerce and accessible to the intended recipient. Notices to Cooperative Member may be given by email to the Cooperative Member's Coordinator or other email address of record provided by the Cooperative Member; by U.S. mail, postage prepaid, and delivered to the Cooperative Member's Coordinator or chief executive officer (e.g., superintendent, city manager, county judge or mayor); or by other mode of delivery typically used in commerce and accessible to the intended recipient.

15. **Severability.** If any portion of this Agreement shall be declared illegal or held unenforceable for any reason, the remaining portions shall continue in full force and effect.

16. **Signatures/Counterparts.** The failure of a party to provide an original, manually executed signature to the other party will not affect the validity, enforceability or binding effect of this Agreement because either party may rely upon an electronic or facsimile signature as if it were an original, including any Cooperative Member signature executed by click and accept or similar electronic signature and acceptance. Furthermore, this Agreement may be executed in several separate counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

17. **Authority.** By the execution and delivery of this Agreement, the undersigned individual represents that the individual is duly authorized by all requisite administrative action required to enter into and bind the entity that is a party to this Agreement.

[Signature page follows.]



WHEREFORE, the parties, acting through their duly authorized representatives, accept this Agreement.

NATIONAL PURCHASING COOPERATIVE:

By: _____
Tiffany Dunne-Oldfield
Assistant Secretary

Date: _____

COOPERATIVE MEMBER:

[Signature required unless accepted as an Amendment by Notice as described in the Agreement.]

(Government Entity Name)

By: _____
Signature of authorized representative of Cooperative Member

Date: _____

Printed name and title of authorized representative

Coordinator for the Cooperative Member is:

Name

Title

Mailing Address

City

State

Zip Code

Telephone

Fax

Email

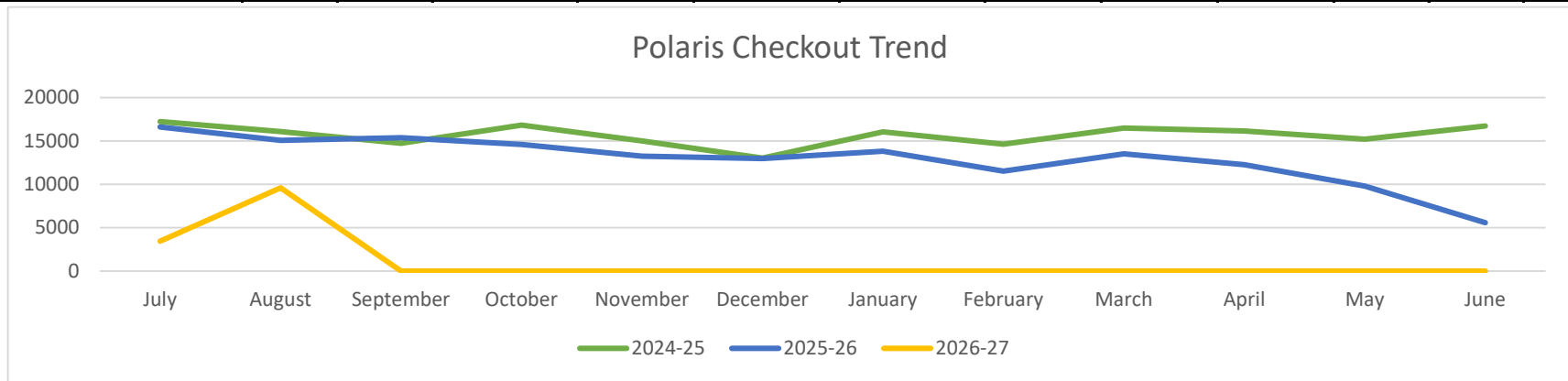
Database Usage
August 2026

**Electronic Resource Usage
July 2026 - June 2027**

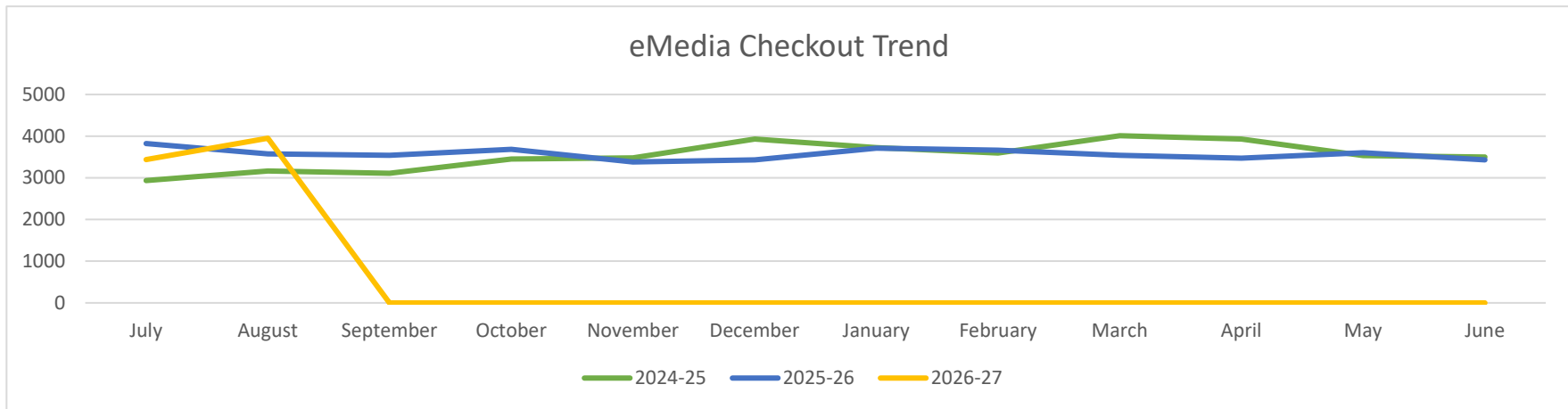
	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027	This Year Total to Date
Auto Repair Source	9	16											25
NoveList Plus	7	3											10
Gale Virtual Reference Library	0	2											2
HelpNow!	72	192											264
Mango Languages	103	98											201
Newsbank	1079	879											1958
TumbleBooks	5	0											5
ProQuest	0	0											0
CultureGrams	4	3											7
Britannica	0	0											0
TeachingBooks	677	352											1029
New York Times	0	0											0
Month Total:	1956	1545	0	0	0	0	0	0	0	0	0	0	3501

Trend Analysis
July 2026 - June 2027

Polaris Checkouts	July	August	September	October	November	December	January	February	March	April	May	June
2024-25	17234	16067	14729	16836	15018	13028	16043	14644	16480	16147	15190	16711
2025-26	16612	15076	15361	14603	13233	12988	13828	11509	13508	12268	9802	5578
2026-27	3444	9599	0	0	0	0	0	0	0	0	0	0

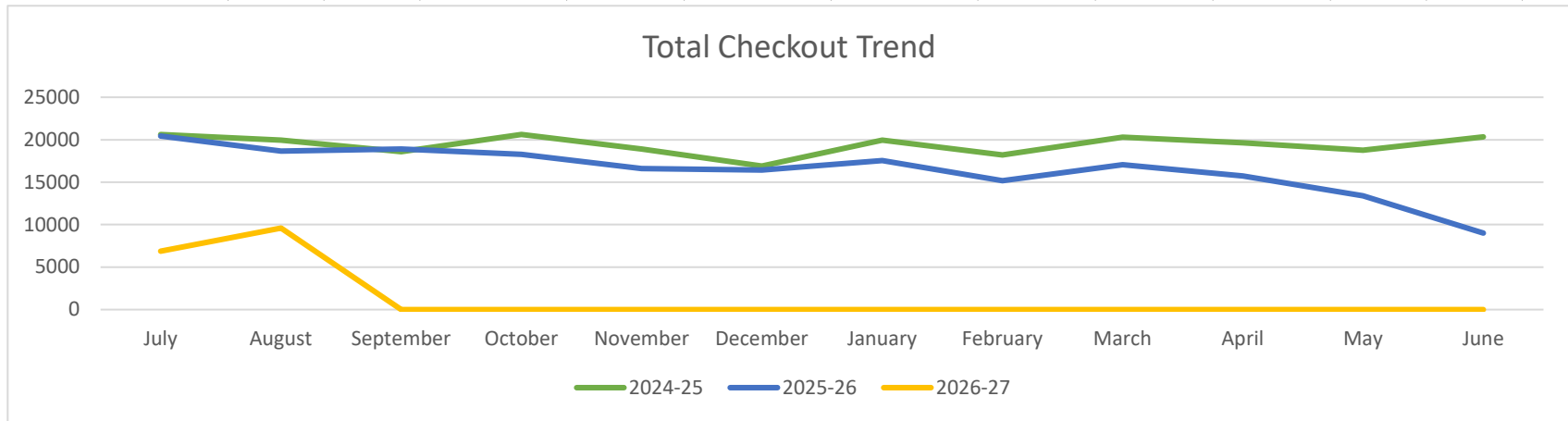


eMedia Checkouts	July	August	September	October	November	December	January	February	March	April	May	June
2024-25	2935	3163	3110	3453	3480	3933	3725	3595	4011	3930	3534	3497
2025-26	3823	3577	3543	3686	3381	3433	3715	3663	3540	3469	3600	3431
2026-27	3435	3951	0	0	0	0	0	0	0	0	0	0

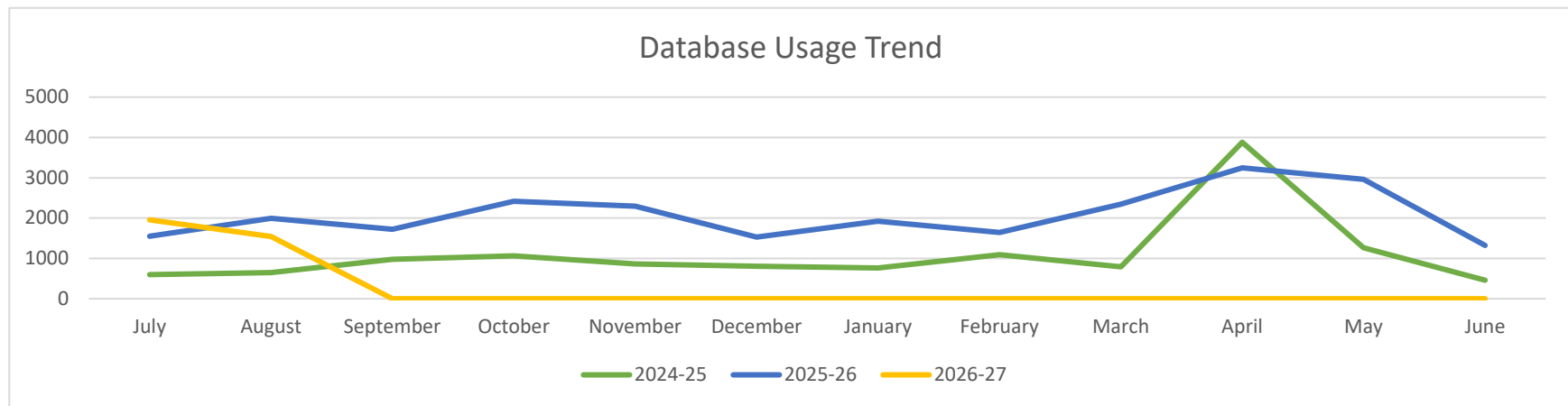


Trend Analysis
July 2026 - June 2027

Total Check outs	July	August	September	October	November	December	January	February	March	April	May	June
2024-25	20611	19940	18608	20620	18909	16901	19940	18219	20312	19649	18781	20327
2025-26	20435	18653	18904	18289	16614	16421	17543	15172	17048	15737	13402	9009
2026-27	6879	9599	0	0	0	0	0	0	0	0	0	0

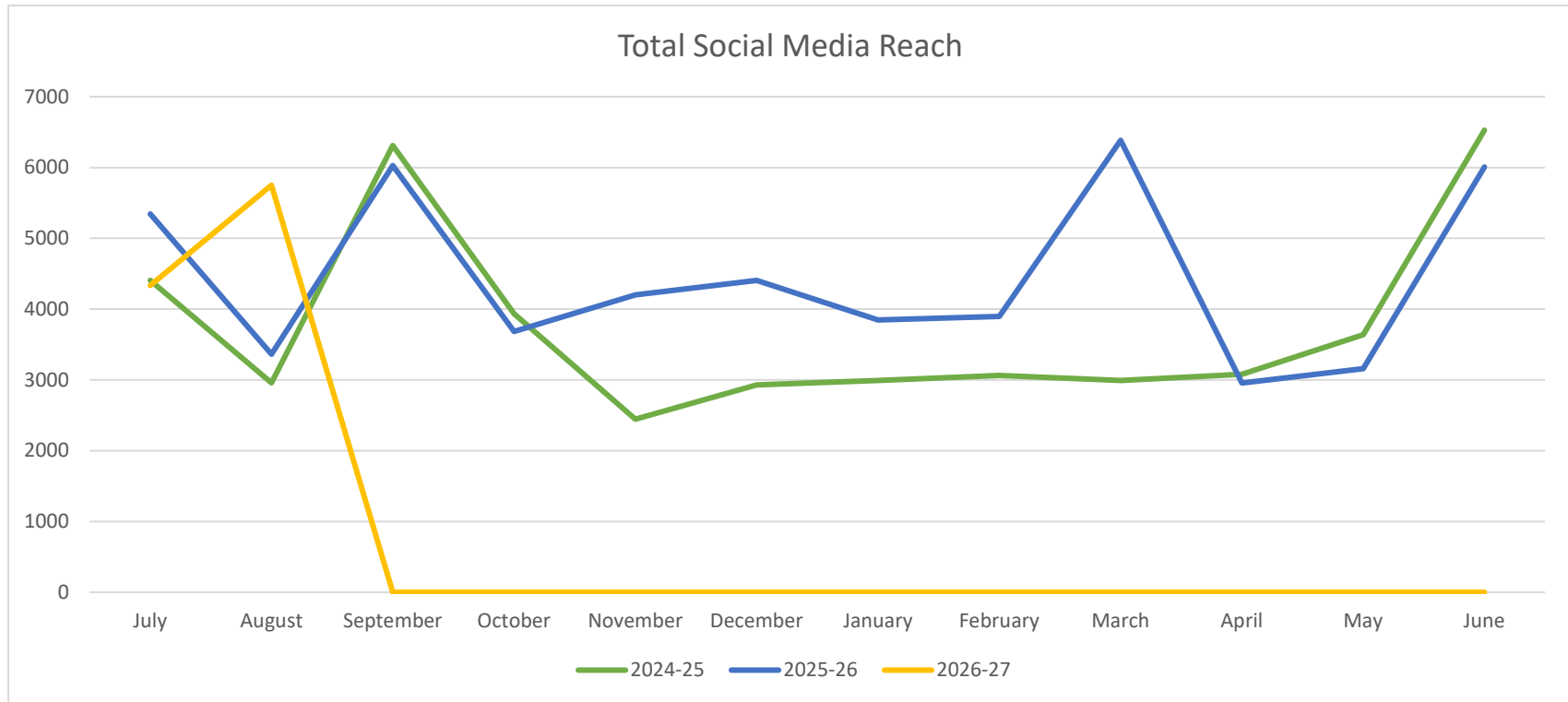


Total Database Usage	July	August	September	October	November	December	January	February	March	April	May	June
2024-25	601	650	980	1066	866	803	765	1089	794	3880	1261	459
2025-26	1551	1997	1719	2414	2298	1526	1926	1643	2347	3246	2959	1322
2026-27	1956	1545	0	0	0	0	0	0	0	0	0	0



Trend Analysis
July 2026 - June 2027

Total Social Media Reach	July	August	September	October	November	December	January	February	March	April	May	June
2024-25	4405	2957	6309	3936	2445	2928	2992	3061	2990	3079	3637	6527
2025-26	5344	3361	6028	3682	4201	4407	3845	3895	6384	2956	3160	6005
2026-27	4335	5750	0	0	0	0	0	0	0	0	0	0





BUENA PARK Library District

Programs Statistical Report for August 2026

Board of Library Trustees

Meeting Date: October 6, 2026

Children's Programs

	August 2026		July 2026	
	# of Events	Attendance	# of Events	Attendance
Family Storytime	5	179	16	579
Baby Toddler Storytime	3	116	x	x
Preschool Storytime	6	161	x	x
Spanish/English Storytime	4	48	5	137
Pajama-rama Story Time	1	30	1	18
Korean/English Story Time	1	30	1	11
Read to a Bark Dog	1	18	1	21
Name Charm Challenge	1	58	1	196
Beginners' Origami Hour	1	19	x	x
Back to School Bingo	1	26	x	x
Self-Directed Activities	4	430	3	260
Off Site	2	465	8	490
Tech Questions		13	x	31
Reference Questions		303		360

Teen Programs

	August 2026		July 2026	
	# of Events	Attendance	# of Events	Attendance
Teen Programs	2	1	1	4

Adult Programs

	August 2026		July 2026	
	# of Events	Attendance	# of Events	Attendance
Adult Book Club	1	5	1	7
Reference Questions		289		344
Computer Questions		147		90



Date: October 6, 2026
To: Board of Library Trustees
From: Helen Medina, Library Director
Subject: Director's Report

Recommended Action:

Agenda Item 12

Informational Only

Administration Updates:

I worked with Administrative Specialist Patty Salas and Finance Consultant Nazer Uddin on the annual financial statement audit to assist the auditors with their fieldwork and information requests. I also worked with the District's counsel, finance consultants, lender, lease arranger, and bank counsel on our lease documents for the renovation financing. Additionally, I coordinated with the renovation project team to execute all contract documents and collect all bonds and insurance for the renovation project and review them to ensure they were compliant with our terms. We also held our pre-construction meeting at our temporary facility on September 17th and several site walks with key project members.

I also responded to a Department of Justice audit and updated information access and destruction procedures related to our criminal justice system data.

Library Programs Coordinator Brenda Gomez worked closely with me and the hazardous materials disposal company to coordinate the removal of any remaining chemicals from the interior and ancillary buildings of the library and assisted me in addressing concerns related to vandalism and trespassing. I also contacted City leadership and they responded swiftly with coordinated action among the police department and homeless outreach team.

Ann Thompson, Patty Salas, Brenda Gomez, and I conducted final interviews for the Circulation Services Supervisor position. The District had many highly qualified candidates and is moving forward with a selection.

Ann Thompson and I also met with vendors to prepare for updates to our integrated library system and RFID project and a panel of staff members met with two vendors to review payment collection systems.

Staff Training:

Operations staff have all completed Polaris Leap training, which is the web-based version of our integrated library system, and are preparing to move away from the staff client. Martin Lebría also completed trainings related to E-rate, the federal program for technology funding. I completed my Criminal Justice Information Systems annual training. Brenda Gomez completed a Situational Awareness training.

In October, staff members will be attending the California Library Association conference, the California Special Districts Association Human Resources Boot Camp training, and RGS' Lead Senior Leadership Academy.

Programs and Services:

The District's Outreach Team attended several Back-to-School Nights for Buena Park School District and Centralia Elementary School District. They also attended the City of Buena Park's CultureFest event, where they supported the District's mission by registering patrons for library cards and providing information about library programs and services at an informational booth. The team provided information to 187 visitors. They also provided information about the library's multilingual book collection and language learning app Mango Languages. On October 17, the Outreach Team will attend the annual Fishing Derby at Clark Regional Park. On October 28, the Team will be attending the annual Police Department Cops N' Goblins event at City Hall at 2:00pm.

The District held a variety of programs for children throughout September. Early literacy remained a key focus, with regular Preschool Story Time, Baby/Toddler Story Time, Pajama-Rama Story Time, and bilingual story times offered in both Spanish/English and Korean/English. Read to a BARK Dog also continued, with a special one-time visit from Taffy, a labradoodle who loves to visit the park.

Word Game Night featured Bananagrams for the first time. Six patrons attended, and the three children who participated expressed interest in playing again. Bananagrams will be played again at next month's Word Game Night.

The District hosted a special Lotería Night to celebrate National Hispanic American Heritage Month. A special Origami Hour also was held in September, where participants created three autumn-themed projects: an owl, an acorn, and a mushroom. Children were also given the opportunity to decorate colored leaves that were added to a fall tree on the children's room whiteboard.

The September Name Charm Challenge continued throughout the month and will conclude on September 30. To date, 37 children have registered, and 22 children have completed the challenge by reading five books. Fluffy Market continues to provide support for this literacy initiative.

The Fall into Reading Challenge began on September 28 and will run through December 23. The challenge is open to children ages 0 to 12. Participants who read and log their reading in Beanstack will receive toys upon reaching the 7-book and 14-book milestones. Giving Children Hope has donated over 2,000 high-quality toys for this reading challenge, including board games and plush toys.

The In-N-Out Reading Challenge will also run this fall from October 3 through November 14. Children ages 4-12 can earn up to three free In-N-Out cheeseburgers, hamburgers, or grilled cheese sandwiches. This challenge requires in-person registration at the library. The library will also host a Mini Pumpkin Decorating Contest, in which children will decorate mini

pumpkins to look like characters from children's books. Participants will have a chance to win an Elephant and Piggie blanket and enamel pin bundle.

The Teen Advisory Board (TAB) will meet on October 5 from 6:00 to 7:30 p.m. On Tuesday, October 27, from 6:00 to 7:30 p.m., teens will gather to decorate mini pumpkins and create vintage ghost paintings while listening to classic stories from Alvin Schwartz's *Scary Stories to Tell in the Dark*.

Adult programming featured the monthly Book Club, which met on September 10 to discuss *American Fantasy* by Emma Straub. The book was well received, with the majority of members rating it 7 or higher out of 10. Following the heavier tone of recent selections, members appreciated the lighter read and its sense of nostalgia. The group's next meeting is scheduled for October 8, when members will discuss *The Staircase in the Woods* by Chuck Wendig. The selection is timed for the Halloween season. It is a horror novel about five teenage friends who discover a mysterious, impossible staircase in the woods. When one friend climbs it and disappears, their lives and friendship are shattered.

The Library's *Hallow-READ* Reading Challenge for adults (ages 19 and older) will run from October 1 through October 31. Participants will have the opportunity to win prizes by reading books and submitting reviews. Each review submitted will earn a virtual ticket toward Grand Prize drawings.

**Buena Park Library District
Analytical Financial Overview**
For the Two Months Ended August 31, 2026

To: Board of Trustees
Buena Park Library District

From: Nazer Uddin
Senior Advisor, RGS

RE: Analytical Financial Overview — For the Two Months Ended August 31, 2026

RGS presents this overview of the District's cash-basis financial results for the two months ended August 31, 2026. The report highlights major revenue and expenditure trends, budget-to-actual results, and factors affecting the year-to-date financial position. Cash-basis amounts will be converted to modified accrual or full accrual, as appropriate, during preparation of the annual financial statements.

1. Overview of the Financial Statements

The attached statements compare the District's results for the two months ended August 31, 2026, with the annual budget and the same period last year. Year-to-date revenue totaled **\$146,917**, expenditures totaled **\$621,847**, and fund balance decreased by **\$474,930**. These interim results reflect the timing of property-tax receipts, capital grant proceeds, payroll and benefit postings, renovation costs, and other expenditures that occur unevenly during the year.

2. Financial Summary

Through August 31, 2026, the District recorded **\$146,917** in revenue, or **2.3% of its \$6.265 million annual budget**. Expenditures totaled **\$621,847**, or **5.0% of the \$12.383 million annual budget**, resulting in a **\$474,930 year-to-date deficit**. This amount is well below the approximately **\$6.118 million full-year budgeted deficit**. However, the comparison is preliminary because most property-tax receipts, capital grant proceeds, construction costs, and equipment purchases have not yet been recorded.

Financial Highlights — For the Two Months Ended August 31, 2026			
Metric	YTD Actual	Budget / Prior-Year Comparison	Board-Level Takeaway
Total Revenues	\$146,917	2.3% of annual budget; down 28.3% year over year	Passport services were disrupted by the temporary relocation; prior-year state grant revenue was \$13,171. The \$850,000 capital renovation grant had not yet been recognized.
Total Expenditures	\$621,847	5.0% of annual budget; down 17.1% year over year	Results include the CalPERS unfunded accrued liability payment, the OPEB reimbursement, and relocation start-up costs.
Net Change in Fund Balance	(\$474,930)	Prior-year decrease: (\$544,889)	Deficit improved \$69,959 year over year.
Capital Outlay	\$55,323	0.6% of \$8.553 million budget	Early project stage; spending will increase as construction begins.

3. Revenue Performance

Revenue remains concentrated in a few sources and reflects the early stage of the fiscal year.

- **Property taxes — \$58,530.** Receipts equaled 1.2% of the annual budget and increased 28.8% from the prior-year period. Secured property taxes rose to \$47,526, partly offset by lower prior-year supplemental taxes.
- **User service charges and fees — \$368.** Revenue declined 99.3% from the prior-year period because no passport application or photo fees were recorded through August. The District recorded \$53,490 from these services in the same period last year. The decline reflects operational disruptions caused by the Library's temporary relocation.
- **Investment earnings — \$87,328.** Earnings reached 17.1% of the annual budget and were 2.9% below the prior-year period. This remained the largest year-to-date revenue source.
- **Grants and contributions — \$100.** No state grant revenue was recorded, compared with \$13,171 in the prior-year period. The separately budgeted **\$850,000 capital renovation grant** also had not yet been recognized.
- **Miscellaneous revenue — \$591.** This unbudgeted activity was immaterial to total operations.

Total revenue declined by **\$58,119** from the prior-year period, mainly because of lower passport fees and the absence of \$13,171 in prior-year state grant revenue. Higher property-tax receipts partly offset the decline. The \$850,000 capital renovation grant had not yet been recognized.

4. Expenditure Performance

Year-to-date expenditures totaled **\$621,847**, or **5.0% of the annual budget**, and were **\$128,078 lower** than in the prior-year period.

- **Salaries and wages — \$276,648.** Spending equaled 15.8% of the annual budget and declined 14.2% from the prior-year period. The decrease reflects deferred hiring during the renovation project and lower vacation-pay costs.
- **Employee benefits — \$162,427.** Spending reached 31.2% of budget and increased 31.9% year over year, primarily because of CalPERS pension contributions. Total CalPERS expense was \$131,005, including a \$101,458 payment toward the District's unfunded accrued liability. This represented 60.2% of the annual CalPERS budget.
- **Retiree benefits — (\$53,366).** The negative balance reflects a \$75,343 OPEB reimbursement applied against retiree benefit expenses.
- **Professional and specialized services — \$38,361.** Spending declined 70.4% from the prior year, mainly because of lower professional-service costs.
- **Technology and support services — \$7,411.** Spending increased from \$1,128 in the prior-year period, primarily because of the DocAccess subscription and implementation and annual billing for Cisco Cloud Calling services.
- **Utilities and facility operations — \$25,389 combined.** Both categories remained below annual budget and declined from the prior year.
- **Relocation and occupancy costs — \$85,726.** This amount includes \$60,700 for initial moving and installation services at the temporary Library location. As expected, these start-up costs were concentrated early in the relocation period. Year-to-date spending represents 49.3% of the \$174,000 annual budget.

5. Net Change in Fund Balance

Fund balance decreased by **\$474,930**, compared with a **\$544,889 decrease** in the same period last year. The **\$69,959 improvement** resulted from a \$128,078 reduction in expenditures, partly offset by a \$58,119 decline in revenue. Because revenue collections and renovation spending vary significantly during the year, the year-to-date result should not be projected over the full fiscal year.

6. Capital and Renovation Activity

Capital outlay totaled **\$55,323**, including approximately \$41,640 for project management and \$13,684 for architectural consulting. This represents 0.6% of the **\$8.553 million annual capital budget**. No construction or equipment costs had been recorded as of August 31, 2026. The District also incurred **\$85,726 in relocation and occupancy costs**, including \$60,700 for moving and installation services at the temporary Library location.

7. Board-Level Takeaways

- Revenue was below the prior-year level mainly because the temporary relocation disrupted passport services. The **\$850,000 capital renovation grant** also had not yet been recognized.
- Expenditures remained below both the prior-year level and annual appropriations. Results include the CalPERS unfunded accrued liability payment, the OPEB reimbursement, and expected relocation start-up costs.
- Fund balance decreased by **\$474,930**, an improvement of **\$69,959** from the same period last year. The larger full-year budgeted decrease primarily reflects the renovation project.
- The capital project remains in its early stages. Cash requirements will increase as construction and equipment purchases begin, with a portion funded by the capital renovation grant.

Buena Park Library District
Summary of Budget vs Actuals
July 2026 - Aug 2026

	YTD Actual	Total Budget	Over Budget	% of Budget
40000 OPERATING REVENUES				
Total 41100 PROPERTY TAXES	58,530	4,825,970	(4,767,440)	1%
Total 41200 USER SERVICE CHARGES AND FEES	368	79,000	(78,632)	0%
Total 41400 INVESTMENT EARNINGS	87,328	510,000	(422,672)	17%
Total 41500 GRANT AND CONTRIBUTIONS	100	850,000	(849,900)	0%
Total 41600 MISCELLANEOUS REVENUES	591	-	591	
Total 40000 OPERATING REVENUES	146,917	6,264,970	(6,118,053)	2%
50000 OPERATING EXPENSES				
Total 51100 SALARIES AND WAGES	276,648	1,745,730	(1,469,082)	16%
Total 51200 EMPLOYEES BENEFITS	162,427	520,561	(358,134)	31%
Total 51300 RETIREE BENEFITS	(53,366)	52,793	(106,159)	-101%
Total 51400 TRAINING	6,166	47,510	(41,344)	13%
Total 52100 SUPPLIES AND MINOR EQUIPMENT	781	61,000	(60,219)	1%
Total 52200 LIBRARY MATERIALS	16,490	155,270	(138,780)	11%
Total 53100 LIBRARY PROGRAM PROFESSIONAL SERVICES	-	31,000	(31,000)	0%
Total 54100 PROFESSIONAL AND SPECIALIZED SERVICES	38,361	621,750	(583,389)	6%
Total 54200 TECHNOLOGY AND SUPPORT SERVICES	7,411	107,650	(100,239)	7%
Total 55100 RISK MANAGEMENT AND INSURANCE	-	93,888	(93,888)	0%
Total 55200 TAXES AND ASSESSMENTS	-	17,800	(17,800)	0%
Total 56100 UTILITIES	15,002	102,380	(87,378)	15%
Total 57100 EQUIPMENT AND EQUIPMENT MAINTENANCE	295	7,000	(6,705)	4%
Total 57200 FACILITY OPERATIONS AND MAINTENANCE	10,387	90,320	(79,933)	12%
Total 57300 FLEET/VEHICLE SERVICES	196	1,000	(804)	20%
Total 59100 OTHER EXPENSES	-	-	-	
Total 70000 CAPITAL OUTLAY AND DEPRECIATION/AMORTIZATION EXPENSES	55,323	8,553,370	(8,498,047)	1%
Total 50000/70000 EXPENSES	621,847	12,383,022	(11,761,175)	5%
NET CHANGES IN FUND BALANCE	(474,930)	(6,118,052)	5,643,122	8%

**Buena Park Library District
Budget vs. Actuals
July 2026 - Aug 2026**

	YTD Actual	Total Budget	Over Budget	% of Budget
40000 OPERATING REVENUES				
41100 PROPERTY TAXES				
41110 Property Taxes - Secured	\$ 47,526	\$ 2,376,020	-\$ 2,328,494	2%
41120 Property Taxes - Unsecured	\$ 0	\$ 62,700	-\$ 62,700	0%
41140 Property Taxes - Prior Year Supplemental	\$ 11,004	\$ 66,030	-\$ 55,026	17%
41150 Pass-through Property Taxes	\$ 0	\$ 893,460	-\$ 893,460	34%
41155 Residual Property Taxes	\$ 0	\$ 1,425,350	-\$ 1,425,350	103%
41170 Property Taxes - Interest on Unapportioned Taxes	\$ 0	\$ 2,410	-\$ 2,410	0%
Total 41100 PROPERTY TAXES	\$ 58,530	\$ 4,825,970	-\$ 4,767,440	1%
41200 USER SERVICE CHARGES AND FEES				
41210 Photocopies and Printing	\$ 276	\$ 4,000	-\$ 3,724	7%
41215 Fines and faxing services	\$ 28	\$ 0	\$ 28	
41220 Passport Photos	\$ 0	\$ 15,000	-\$ 15,000	0%
41230 Passport Application Services	\$ 0	\$ 60,000	-\$ 60,000	0%
41240 Fine and Fees	\$ 0	\$ 0	\$ 0	
41240 Merchandise Sales	\$ 65	\$ 0	\$ 65	
41299 Return Item Chargeback	\$ 0	\$ 0	\$ 0	
Total 41200 USER SERVICE CHARGES AND FEES	\$ 368	\$ 79,000	-\$ 78,632	0%
41400 INVESTMENT EARNINGS				
41410 Investment Income	\$ 85,404	\$ 500,000	-\$ 414,596	17%
41420 Saving Account Interest	\$ 1,923	\$ 10,000	-\$ 8,077	19%
Total 41400 INVESTMENT EARNINGS	\$ 87,328	\$ 510,000	-\$ 422,672	17%
41500 GRANT AND CONTRIBUTIONS				
41510 State Grants	\$ 0	\$ 850,000	-\$ 850,000	0%
41520 Individual Donations	\$ 100	\$ 0	\$ 100	
41530 Miscellaneous Donations	\$ 0	\$ 0	\$ 0	
Total 41500 GRANT AND CONTRIBUTIONS	\$ 100	\$ 850,000	-\$ 849,900	0%
41600 MISCELLANEOUS REVENUES				
41610 Other Revenues	\$ 593	\$ 0	\$ 593	
41620 Refunds & Reimbursements	\$ 0	\$ 0	\$ 0	
41630 Cash Over/Short (Revenues)	-\$ 2	\$ 0	-\$ 2	
Total 41600 MISCELLANEOUS REVENUES	\$ 591	\$ 0	\$ 591	
Total 40000 OPERATING REVENUES	\$ 146,917	\$ 6,264,970	-\$ 6,118,053	2%
Expenses				
50000 OPERATING EXPENSES				
51100 SALARIES AND WAGES				
51110 Salaries & Wages - Regular	\$ 251,076	\$ 1,740,190	-\$ 1,489,114	14%
51120 Salaries & Wages - Overtime	\$ 2,284	\$ 2,000	\$ 284	114%
51121 Vacation Pay	\$ 17,056	\$ 3,540	\$ 13,516	482%
51122 Sick Pay	\$ 6,231	\$ 0	\$ 6,231	
Total 51100 SALARIES AND WAGES	\$ 276,648	\$ 1,745,730	-\$ 1,469,082	16%
51200 EMPLOYEES BENEFITS				
51210 Medical Insurance	\$ 22,481	\$ 176,620	-\$ 154,139	13%
51211 Dental Insurance	\$ 2,528	\$ 9,180	-\$ 6,652	28%
51214 Life/AD&D/STD/LTD Insurance	-\$ 58	\$ 10,120	-\$ 10,178	-1%
51217 Vision Insurance	-\$ 90	\$ 2,240	-\$ 2,330	-4%
51220 Workers' Compensation	\$ 0	\$ 55,673	-\$ 55,673	0%
51223 FICA	\$ 6,560	\$ 49,210	-\$ 42,650	13%
51232 CalPERS	\$ 131,005	\$ 217,518	-\$ 86,513	60%
51238 Net Pension Expenses	\$ 0	\$ 0	\$ 0	
Total 51200 EMPLOYEES BENEFITS	\$ 162,427	\$ 520,561	-\$ 358,134	31%
51300 RETIREE BENEFITS				
51310 Retiree Health Benefits	-\$ 53,366	\$ 131,380	-\$ 184,746	-41%
51347 OPEB CERBT Disbursement	\$ 0	-\$ 78,587	\$ 78,587	0%
Total 51300 RETIREE BENEFITS	-\$ 53,366	\$ 52,793	-\$ 106,159	-101%
51400 TRAINING				
51410 Travel and Transportation	\$ 407	\$ 9,180	-\$ 8,773	4%
51420 Professional Development & Training	\$ 4,824	\$ 26,500	-\$ 21,676	18%
51430 Professional Memberships	\$ 935	\$ 11,830	-\$ 10,895	8%
Total 51400 TRAINING	\$ 6,166	\$ 47,510	-\$ 41,344	13%
52100 SUPPLIES AND MINOR EQUIPMENT				
52110 General Office Supplies	\$ 301	\$ 4,000	-\$ 3,699	8%
52113 Passport Supplies	\$ 0	\$ 4,000	-\$ 4,000	0%
52115 Paper Products	\$ 0	\$ 4,000	-\$ 4,000	0%
52120 Paper Products-Library Services	\$ 0	\$ 0	\$ 0	
52125 Furniture	\$ 0	\$ 1,000	-\$ 1,000	0%
52130 Library Cards	\$ 0	\$ 1,000	-\$ 1,000	0%
52135 Circulation Supplies	\$ 0	\$ 2,000	-\$ 2,000	0%
52140 Marketing	\$ 0	\$ 3,500	-\$ 3,500	0%
52145 Signage	\$ 0	\$ 2,500	-\$ 2,500	0%
52150 Postage	\$ 219	\$ 16,000	-\$ 15,781	1%

Buena Park Library District
Budget vs. Actuals
July 2026 - Aug 2026

	YTD Actual	Total Budget	Over Budget	% of Budget
52155 Printer Supplies	\$ 0	\$ 8,000	-\$ 8,000	0%
52160 Printer Supplies-Library Services	\$ 0	\$ 5,000	-\$ 5,000	0%
52165 Supplies Reference/Children	\$ 261	\$ 8,000	-\$ 7,739	3%
52170 Local Meeting Expenses	\$ 0	\$ 2,000	-\$ 2,000	0%
Total 52100 SUPPLIES AND MINOR EQUIPMENT	\$ 781	\$ 61,000	-\$ 60,219	1%
52200 LIBRARY MATERIALS				
52213 Books/Zip Books	\$ 2,675	\$ 24,000	-\$ 21,325	11%
52215 Technical Services	\$ 610	\$ 3,000	-\$ 2,390	20%
52223 Print Subscriptions	\$ 0	\$ 7,000	-\$ 7,000	0%
52228 Media	\$ 0	\$ 3,000	-\$ 3,000	0%
52233 Library of Things	\$ 240	\$ 10,000	-\$ 9,760	2%
52238 Electronic Subscriptions	\$ 11,766	\$ 29,970	-\$ 18,204	39%
52243 eBooks/Downloadable/Streaming Content	\$ 0	\$ 65,800	-\$ 65,800	0%
52248 OCLC Fees	\$ 0	\$ 0	\$ 0	0%
52268 Community Outreach Supplies (Lunch At The Library Grant)	\$ 1,198	\$ 12,500	-\$ 11,302	10%
Total 52200 LIBRARY MATERIALS	\$ 16,490	\$ 155,270	-\$ 138,780	11%
53100 LIBRARY PROGRAM PROFESSIONAL SERVICES				
53110 Public Programs - Adult	\$ 0	\$ 2,000	-\$ 2,000	0%
53113 Adult Summer Reading Program	\$ 0	\$ 2,000	-\$ 2,000	0%
53118 Public Programs - Teens	\$ 0	\$ 3,500	-\$ 3,500	0%
53123 Teen Summer Reading Program	\$ 0	\$ 2,500	-\$ 2,500	0%
53128 Public Programs - Children & Family	\$ 0	\$ 8,000	-\$ 8,000	0%
53133 Children Summer Reading Program	\$ 0	\$ 10,000	-\$ 10,000	0%
53143 Community Outreach	\$ 0	\$ 3,000	-\$ 3,000	0%
Total 53100 LIBRARY PROGRAM PROFESSIONAL SERVICES	\$ 0	\$ 31,000	-\$ 31,000	0%
54100 PROFESSIONAL AND SPECIALIZED SERVICES				
54110 Auditor Services	\$ 0	\$ 19,000	-\$ 19,000	0%
54115 Legal Services	\$ 12,286	\$ 100,000	-\$ 87,715	12%
54120 Professional Services	\$ 21,981	\$ 414,100	-\$ 392,119	5%
54127 County of Orange Elections	\$ 0	\$ 50,880	-\$ 50,880	0%
54135 LAFCO Fee	\$ 0	\$ 4,270	-\$ 4,270	0%
54140 Employment Physical/Background	\$ 0	\$ 1,000	-\$ 1,000	0%
54145 Payroll & Timekeeping Services	\$ 1,183	\$ 10,000	-\$ 8,817	12%
54150 Publications & Legal Notices	\$ 535	\$ 2,000	-\$ 1,465	27%
54155 Permits and Fees	\$ 0	\$ 500	-\$ 500	0%
54165 Merchant Fees	\$ 74	\$ 5,000	-\$ 4,926	1%
54170 Bank Fees	\$ 2,302	\$ 15,000	-\$ 12,698	15%
Total 54100 PROFESSIONAL AND SPECIALIZED SERVICES	\$ 38,361	\$ 621,750	-\$ 583,389	6%
54200 TECHNOLOGY AND SUPPORT SERVICES				
54215 Computer Equipment & Peripherals (<\$5,000)	\$ 0	\$ 3,000	-\$ 3,000	0%
54220 System Services Supplies	\$ 0	\$ 0	\$ 0	0%
54225 Software/Web/Cloud Resources- License & Support	\$ 7,411	\$ 104,650	-\$ 97,239	7%
Total 54200 TECHNOLOGY AND SUPPORT SERVICES	\$ 7,411	\$ 107,650	-\$ 100,239	7%
55100 RISK MANAGEMENT AND INSURANCE				
55110 Property/Liability Insurance	\$ 0	\$ 76,888	-\$ 76,888	0%
55115 Unemployment Insurance	\$ 0	\$ 10,000	-\$ 10,000	0%
55120 Risk Management	\$ 0	\$ 7,000	-\$ 7,000	0%
Total 55100 RISK MANAGEMENT AND INSURANCE	\$ 0	\$ 93,888	-\$ 93,888	0%
55200 TAXES AND ASSESSMENTS				
55210 Taxes and Assessments	\$ 0	\$ 9,300	-\$ 9,300	0%
55215 Sales and Use Tax	\$ 0	\$ 8,500	-\$ 8,500	0%
Total 55200 TAXES AND ASSESSMENTS	\$ 0	\$ 17,800	-\$ 17,800	0%
56100 UTILITIES				
56110 Electric	\$ 13,895	\$ 80,000	-\$ 66,105	17%
56115 Gas	\$ 160	\$ 8,000	-\$ 7,840	2%
56120 Water & Sewage	\$ 779	\$ 5,600	-\$ 4,822	14%
56125 Telecommunications Services	\$ 0	\$ 8,780	-\$ 8,780	0%
56127 Internet Services	\$ 169	\$ 0	\$ 169	0%
Total 56100 UTILITIES	\$ 15,002	\$ 102,380	-\$ 87,378	15%
57100 EQUIPMENT AND EQUIPMENT MAINTENANCE				
57110 Service Agreements	\$ 295	\$ 4,000	-\$ 3,705	7%
57120 Postage Machine Lease	\$ 0	\$ 3,000	-\$ 3,000	0%
Total 57100 EQUIPMENT AND EQUIPMENT MAINTENANCE	\$ 295	\$ 7,000	-\$ 6,705	4%
57200 FACILITY OPERATIONS AND MAINTENANCE				
57210 Building Maintenance Supplies	\$ 1,486	\$ 500	\$ 986	297%
57213 Janitorial Supplies	\$ 0	\$ 8,000	-\$ 8,000	0%
57216 Custodial Services	\$ 3,438	\$ 28,920	-\$ 25,482	12%
57219 Refuse Disposal Services	-\$ 109	\$ 10,000	-\$ 10,109	-1%
57222 Electrical Services	\$ 0	\$ 2,500	-\$ 2,500	0%
57225 Alarm System Services	\$ 0	\$ 12,000	-\$ 12,000	0%
57228 HVAC Services	\$ 0	\$ 10,000	-\$ 10,000	0%
57231 Elevator Services	\$ 862	\$ 3,000	-\$ 2,138	29%

**Buena Park Library District
Budget vs. Actuals
July 2026 - Aug 2026**

	YTD Actual	Total Budget	Over Budget	% of Budget
57234 Plumbing Services	\$ 0	\$ 4,000	-\$ 4,000	0%
57237 Landscape Services	\$ 2,849	\$ 6,000	-\$ 3,151	47%
57240 Door Maintenance Services	\$ 0	\$ 0	\$ 0	
57243 Pest Control Services	\$ 800	\$ 2,400	-\$ 1,600	33%
57246 Other Facility Maintenance	\$ 0	\$ 0	\$ 0	
57249 Minor Building Repairs	\$ 0	\$ 0	\$ 0	
57252 Fire & Safety Inspections & Services	\$ 100	\$ 3,000	-\$ 2,900	3%
57255 Health & Safety Materials & Supplies	\$ 0	\$ 0	\$ 0	
57258 Telecommunication Services	\$ 961	\$ 0	\$ 961	
Total 57200 FACILITY OPERATIONS AND MAINTENANCE	\$ 10,387	\$ 90,320	-\$ 79,933	12%
57300 FLEET/VEHICLE SERVICES				
57310 Vehicle Maintenance & Repairs	\$ 140	\$ 500	-\$ 360	28%
57315 Outreach Van - Gasoline	\$ 56	\$ 300	-\$ 244	19%
57320 Vehicle Supplies & Materials	\$ 0	\$ 200	-\$ 200	0%
Total 57300 FLEET/VEHICLE SERVICES	\$ 196	\$ 1,000	-\$ 804	20%
59100 OTHER EXPENSES				
59120 Other Miscellaneous Expense	\$ 0	\$ 0	\$ 0	
Total 59100 OTHER EXPENSES	\$ 0	\$ 0	\$ 0	
70000 CAPITAL OUTLAY AND DEPRECIATION/AMORTIZATION EXPENSES				
71110 Project Management	\$ 41,640	\$ 655,450	-\$ 613,810	6%
71113 Architectural Consultant	\$ 13,684	\$ 175,700	-\$ 162,016	8%
71115 Construction Services	\$ 0	\$ 7,454,720	-\$ 7,454,720	0%
71117 Equipment Expense	\$ 0	\$ 267,500	-\$ 267,500	0%
Total 70000 CAPITAL OUTLAY AND DEPRECIATION/AMORTIZATION EXPENSES	\$ 55,323	\$ 8,553,370	-\$ 8,498,047	1%
75000 NON-CAPITALIZABLE EXPENSES				
75610 Relocation and Occupancy Expenses (Non-Capitalizable)	\$ 85,726	\$ 174,000	-\$ 88,274	49%
Total 75000 NON-CAPITALIZABLE EXPENSES	\$ 85,726	\$ 174,000	-\$ 88,274	49%
Total 50000/70000 EXPENSES	\$ 621,847	\$ 12,383,022	-\$ 11,761,175	5%
NET CHANGES IN FUND BALANCE	-\$ 474,930	-\$ 6,118,052	\$ 5,643,122	8%
	\$ 0	0	0	

Buena Park Library District
Summary Statement of Revenues, Expenditures and Changes in Fund Balance
July 2026- Aug 2026

	TOTAL		
	Current Year	Prior Year	% Change
REVENUES			
Total for 41100 PROPERTY TAXES	58,530	45,447	29%
Total for 41200 USER SERVICE CHARGES AND FEES	368	56,415	-99%
Total for 41400 INVESTMENT EARNINGS	87,328	89,954	-3%
Total 41500 GRANT AND CONTRIBUTIONS	100	13,221	-99%
Total for 41600 MISCELLANEOUS REVENUES	591	0	
TOTAL REVENUES	146,917	205,036	-28%
EXPENDITURES			
Total for 51100 SALARIES AND WAGES	276,648	322,445	-14%
Total for 51200 EMPLOYEES BENEFITS	162,427	123,188	32%
Total for 51300 RETIREE BENEFITS	-53,366	-50,061	7%
Total for 51400 RECRUTING AND TRAINING	6,166	3,941	56%
Total for 52100 SUPPLIES AND MINOR EQUIPMENT	781	5,324	-85%
Total for 52200 LIBRARY MATERIALS	16,490	32,371	-49%
Total for 53100 LIBRARY PROGRAM PROFESSIONAL SERVICES	0	1,810	-100%
Total for 54100 PROFESSIONAL AND SPECIALIZED SERVICES	38,361	129,419	-70%
Total for 54200 TECHNOLOGY AND SUPPORT SERVICES	7,411	1,128	557%
Total for 55100 RISK MANAGEMENT AND INSURANCE	0	0	
Total for 55200 TAXES AND ASSESSMENTS	0	0	
Total for 56100 UTILITIES	15,002	21,059	-29%
Total for 57100 EQUIPMENT AND EQUIPMENT MAINTENANCE	295	842	-65%
Total for 57200 FACILITY OPERATIONS AND MAINTENANCE	10,387	17,587	-41%
Total for 57300 FLEET/VEHICLE SERVICES	196	65	202%
Total for 59100 OTHER EXPENSES	0	0	
EXPENSES	141,049	140,807	0%
TOTAL EXPENDITURES	621,847	749,926	-17%
NET CHANGES IN FUND BALANCE	-474,930	-544,889	-13%

Buena Park Library District
Detailed Statement of Revenues, Expenditures and Changes in Fund Balance
July 2026- Aug 2026

	TOTAL		
	Current Year	Prior Year	% Change
40000 REVENUES			
41100 PROPERTY TAXES			
41110 Property Taxes - Secured	47,526	15,958	198%
41120 Property Taxes - Unsecured	0	0	
41140 Property Taxes - Prior Year Supplemental	11,004	29,489	-63%
Total for 41100 PROPERTY TAXES	58,530	45,447	29%
41200 USER SERVICE CHARGES AND FEES			
41210 Photocopies and Printing	276	2,975	-91%
41215 Fines and faxing services	28	0	
41220 Passport Photos	0	13,380	-100%
41230 Passport Application Services	0	40,110	-100%
41240 Merchandise Sales	65	0	
41299 Return Item Chargeback	0	-50	-100%
Total for 41200 USER SERVICE CHARGES AND FEES	368	56,415	-99%
41400 INVESTMENT EARNINGS			
41410 Investment Income	85,404	87,576	-2%
41420 Saving Account Interest	1,923	2,377	-19%
Total for 41400 INVESTMENT EARNINGS	87,328	89,954	-3%
41500 GRANT AND CONTRIBUTIONS			
41510 State Grants	0	13,171	-100%
41515 Special Grants	0	0	
41520 Individual Donations	100	0	
41530 Miscellaneous Donations	0	50	-100%
Total 41500 GRANT AND CONTRIBUTIONS	100	13,221	-99%
41600 MISCELLANEOUS REVENUES			
41610 Other Revenues	593	0	
41630 Cash Over/Short (Revenues)	-2	0	
Total for 41600 MISCELLANEOUS REVENUES	591	0	
TOTAL REVENUES	146,917	205,036	-28%
50000 EXPENDITURES			
51100 SALARIES AND WAGES			
51110 Salaries & Wages - Regular	251,076	264,840	-5%
51120 Salaries & Wages - Overtime	2,284	628	264%
51121 Vacation Pay	17,056	48,266	-65%
51122 Sick Pay	6,231	8,712	-28%
Total for 51100 SALARIES AND WAGES	276,648	322,445	-14%
51200 EMPLOYEES BENEFITS			
51210 Medical Insurance	22,481	23,217	-3%
51211 Dental Insurance	2,528	282	798%
51214 Life/AD&D/STD/LTD Insurance	-58	661	-109%
51217 Vision Insurance	-90	195	-146%
51220 Workers' Compensation	0	0	
51223 FICA	6,560	8,810	-26%
51232 CalPERS	131,005	16,440	697%
51238 Net Pension Expenses	0	73,584	-100%
Total for 51200 EMPLOYEES BENEFITS	162,427	123,188	32%
51300 RETIREE BENEFITS			
51310 Retiree Health Benefits	-53,366	-50,061	7%
51347 OPEB CERBT Disbursement	0	0	
Total for 51300 RETIREE BENEFITS	-53,366	-50,061	7%
51400 RECRUITING AND TRAINING			
51410 Travel and Transportation	407	68	500%
51420 Professional Development & Training	4,824	3,249	48%
51430 Professional Memberships	935	625	50%
51440 Special District Conferences	0	0	
51450 CLA Conference	0	0	

Buena Park Library District
Detailed Statement of Revenues, Expenditures and Changes in Fund Balance
July 2026- Aug 2026

	TOTAL		
	Current Year	Prior Year	% Change
Total for 51400 RECRUTING AND TRAINING	6,166	3,941	56%
52100 SUPPLIES AND MINOR EQUIPMENT			
52110 General Office Supplies	301	454	-34%
52135 Circulation Supplies	0	39	-100%
52140 Marketing	0	0	
52145 Signage	0	114	-100%
52150 Postage	219	3,082	-93%
52155 Printer Supplies	0	1,001	-100%
52160 Printer Supplies-Library Services	0	441	-100%
52165 Supplies Reference/Children	261	192	36%
52170 Local Meeting Expenses	0	0	
Total for 52100 SUPPLIES AND MINOR EQUIPMENT	781	5,324	-85%
52200 LIBRARY MATERIALS			
52213 Books/Zip Books	2,675	2,536	5%
52215 Technical Services	610	0	
52218 Title Source III	0	0	
52223 Print Subscriptions	0	0	
52228 Media	0	25	-100%
52233 Library of Things	240	480	-50%
52238 Electronic Subscriptions	11,766	10,463	12%
52243 eBooks/Downloadable/Streaming Content	0	17,888	-100%
52248 OCLC Fees	0	598	-100%
52268 Community Outreach Supplies (Lunch At The Library Grant)	1,198	380	215%
Total for 52200 LIBRARY MATERIALS	16,490	32,371	-49%
53100 LIBRARY PROGRAM PROFESSIONAL SERVICES			
53128 Public Programs - Children & Family	0	410	-100%
53133 Children Summer Reading Program	0	1,400	-100%
53138 Multicultural Program	0	0	
53143 Community Outreach	0	0	
Total for 53100 LIBRARY PROGRAM PROFESSIONAL SERVICES	0	1,810	-100%
54100 PROFESSIONAL AND SPECIALIZED SERVICES			
54110 Auditor Services	0	0	
54115 Legal Services	12,286	20,827	-41%
54120 Professional Services	21,981	99,209	-78%
54135 LAFCO Fee	0	3,215	-100%
54140 Employment Physical/Background	0	109	-100%
54145 Payroll & Timekeeping Services	1,183	1,385	-15%
54150 Publications & Legal Notices	535	85	529%
54155 Permits and Fees	0	262	-100%
54165 Merchant Fees	74	879	-92%
54170 Bank Fees	2,302	3,450	-33%
Total for 54100 PROFESSIONAL AND SPECIALIZED SERVICES	38,361	129,419	-70%
54200 TECHNOLOGY AND SUPPORT SERVICES			
54215 Computer Equipment & Peripherals (<\$5,000)	0	0	
54220 System Services Supplies	0	0	
54225 Software/Web/Cloud Resources- License & Support	7,411	1,128	557%
54230 Technical Services	0	0	
Total for 54200 TECHNOLOGY AND SUPPORT SERVICES	7,411	1,128	557%
56100 UTILITIES			
56110 Electric	13,895	19,386	-28%
56115 Gas	160	558	-71%
56120 Water & Sewage	779	1,115	-30%
56127 Internet Services	169	0	
Total for 56100 UTILITIES	15,002	21,059	-29%
57100 EQUIPMENT AND EQUIPMENT MAINTENANCE			
57110 Service Agreements	295	215	37%
57120 Postage Machine Lease	0	627	-100%

Buena Park Library District
Detailed Statement of Revenues, Expenditures and Changes in Fund Balance
July 2026- Aug 2026

	TOTAL		
	Current Year	Prior Year	% Change
57121 Equipment Lease	0	0	
Total for 57100 EQUIPMENT AND EQUIPMENT MAINTENANCE	295	842	-65%
57200 FACILITY OPERATIONS AND MAINTENANCE			
57210 Building Maintenance Supplies	1,486	0	
57213 Janitorial Supplies	0	1,788	-100%
57216 Custodial Services	3,438	6,086	-44%
57219 Refuse Disposal Services	-109	1,557	-107%
57222 Electrical Services	0	0	
57225 Alarm System Services	0	0	
57228 HVAC Services	0	1,356	-100%
57231 Elevator Services	862	854	1%
57234 Plumbing Services	0	0	
57237 Landscape Services	2,849	3,008	-5%
57240 Door Maintenance Services	0	0	
57243 Pest Control Services	800	150	433%
57252 Fire & Safety Inspections & Services	100	790	-87%
57258 Telecommunication Services	961	1,998	-52%
57261 Special Building Project	0	0	
Total for 57200 FACILITY OPERATIONS AND MAINTENANCE	10,387	17,587	-41%
57300 FLEET/VEHICLE SERVICES			
57310 Vehicle Maintenance & Repairs	140	15	835%
57315 Outreach Van - Gasoline	56	50	12%
Total for 57300 FLEET/VEHICLE SERVICES	196	65	202%
70000 CAPITAL OUTLAW AND DEPRECIATION/AMORTIZATION EXPENSES			
71110 Project Management	41,640	69,796	-40%
71113 Architectural Consultant	13,684	69,826	-80%
71115 Construction Services	0	1,185	-100%
75610 Relocation and Occupancy Expenses (Non-Capitalizable)	85,726	0	
Total for 70000 CAPITAL OUTLAW AND DEPRECIATION/AMORTIZATION EXPENSES	141,049	140,807	0%
TOTAL EXPENDITURES	621,847	749,926	-17%
NET CHANGES IN FUND BALANCE	-474,930	-544,889	-13%

BUENA PARK LIBRARY DISTRICT

TREASURER'S REPORT

August 2026

	BMO Muni Checking Disbursements	BMO Muni Checking Revenue	BofA Business Checking	BofA Interest Checking
Beginning Balance 08/01/2026	-	693	218,194	603,653
RECEIPTS/TRANSFERS:				
Property Tax Receipts			-	2,564
Service Fee		191	-	90
Interest				716
Other		75,434		
Transfer In from BofA Interest Checking`			175,000	
Transfer In from CLASS/CAMP	2	500,001		
	<u>2</u>	<u>575,626</u>	<u>175,000</u>	<u>3,370</u>
DISBURSEMENTS/TRANSFERS:				
Vendor Payments - Checks/ACH			132,405	
CALPERS			44,610	
ADP Payroll			99,760	
Bank/Merchant Processing fees			1,116	
Transfer to BofA Business Checking			-	175,000
	-	-	<u>277,891</u>	<u>175,000</u>
Balance Per Bank 08/31/2026	<u>2</u>	<u>576,319</u>	<u>115,303</u>	<u>432,023</u>
Outstanding Checks		0	(47,232)	0
Deposit in Transit				
Balance Per Books 08/31/2026	<u>2</u>	<u>576,319</u>	<u>68,072</u>	<u>432,023</u>
RECONCILEMENT:			Book Balance	Bank Balance
Bank of America Business Checking - Operating Account			\$68,072	\$115,303
Bank of America Public Funds Interest Account - Revenues Account			\$432,023	\$432,023
BMO Muni Checking- Revenue Deposits			\$576,319	\$576,319
BMO Muni Checking- Cash Disbursements			\$2	\$2
CLASS			\$11,850,219	\$11,850,219
CAMP			\$1,326,594	\$1,326,594
Outstanding Transactions				-\$47,232
TOTAL LIQUIDITY BALANCE as of 08/31/2026			<u><u>\$14,253,229</u></u>	<u><u>\$14,253,229</u></u>

I hereby certify that the foregoing report accurately presents all cash and investment holdings of the Buena Park Library District and that such investments are in full compliance with the applicable provisions of the State of California Government Code and the District's Investment Policy. As Treasurer of the Buena Park Library District, I further certify that the District maintains sufficient investment liquidity and projected revenues to meet all anticipated expenditures for the next six months.



Treasurer

Signed Date:

10/2/2026

Secretary

Signed Date:



Date: October 6, 2026
To: Board of Library Trustees
From: Helen Medina, Library Director
Subject: Adopt Resolution 2026-22 of the Board of Trustees of the Buena Park Library District approving a site lease and a lease agreement; making certain determinations relating thereto; and authorizing certain other documents and actions in connection therewith

Recommended Action:

- 1) Adopt Resolution 2026-22 of the Board of Trustees of the Buena Park Library District approving a site lease and a lease agreement; making certain determinations relating thereto; and authorizing certain other documents and actions in connection therewith

Background:

In March 2025 the Board of Trustees increased the scope and value of the Library Renovation Project and directed the Library Director to explore financing options. The time-sensitive nature of the project, the limited capacity of staff, and the additional tax burden on the community made the prospect of getting voter approval to sell bonds an unlikely option to raise funds for the project. The District met with the California Special Districts Association Finance Corporation to explore other options that would prove more timely, efficient, and less burdensome to taxpayers. Staff reviewed the District's reserves, operating expenses, cash flow, capital expenses, and project needs and determined that a lease purchase agreement would be an efficient way to fund the upcoming project using existing revenue streams. This allows the District to fund its capital project through private placement lease financing and to budget for the lease payments out of its normal revenue stream. This will allow the District to make improvements now so that the community can enjoy the benefit of them sooner. The District will not have to raise taxes and can make the improvements before costs continue to rise and prevent infrastructure failures.

Discussion:

Municipal Finance Corporation (MFC) gave a presentation to the Board of Trustees in December 2025 explaining the process in detail. At this meeting, the District's finance consultant provided financial projections establishing the District's ability to meet the payment obligations over time. MFC made a second presentation at the July 2026 Board of Trustees meeting, where the Board approved MFC's proposal. Following Board approval, MFC released an RFP in August 2026 soliciting bids from lenders. The District's credit information, including the past 3 years of audited financial statements and the current year's budget was reviewed by prospective lenders in order to establish the District's credit approval. The District proceeded to select the lender that provided the lowest interest rates and the best terms, which was EverBank.

The District's counsel worked with the lease arranger and special counsel to prepare the documents which are presented here today. The District is borrowing \$4,500,000.00 to be available for the project, an additional \$224,387.78 to account for capitalized interest expenses, and \$60,000.00 in fees for a total of \$4,784,387.78. The term of the loan is 20 years, while the estimated useful life of the project is 33 years. The District has the option

to prepay the balance or refinance after 7 years without any penalty. The payment schedule is included in the Lease Agreement.

Resolution 2026-22 is the District's Authorizing Resolution that approves the site lease, lease agreement and tax agreement, authorizes the Library Director, Board President, and President Pro Tem as Authorized Officers, and approves the Assignment Agreement. It also provides for the Good Faith Estimates of all fees and proceeds associated with the lease agreement.

Fiscal Impact:

The project fund from the lease is \$4,500,000. Additionally, there is a \$60,000 cost of issuance and a capitalized interest fund of \$224,387.78 for a total of \$4,784,387.78. The interest on this lease financing is 4.690%. Over the course of 20 years, interest would accrue to \$2,686,397.22 for a total of \$7,470,767.00. The District has the option to prepay the balance at 103% in years 1-2, at 102% in years 3-4, 101% in years 5-6 and at par beginning in year 7 and thereafter. The lease agreement will allow the District to fund the Library Renovation Project while maintaining appropriate reserves to comply with the Government Code, the District's Fund Balance and Reserve Policy, allow for other capital planning, and maintain funds for emergencies.

Recommendation:

The recommendation is for the Board to adopt Resolution 2026-22 which will approve the site lease and lease agreement and make the other necessary approvals and determinations to complete the lease financing.

Exhibits:

A Resolution 2026-22

B Site Lease

C Lease Agreement

D Tax Agreement

E Assignment Agreement

RESOLUTION NO. 2026-22

RESOLUTION OF THE BOARD OF TRUSTEES OF THE BUENA PARK LIBRARY DISTRICT APPROVING A SITE LEASE AND A LEASE AGREEMENT; MAKING CERTAIN DETERMINATIONS RELATING THERETO; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Buena Park Library District (the “District”) is a library district and political subdivision duly organized and existing under the laws of the State of California; and

WHEREAS, in order to provide funds to pay costs associated with renovation of the District’s library facility located at 7150 La Palma Avenue, Buena Park, California 90620 (the “Project”), the District will lease the real property and the library facility and improvements now or hereafter located thereon (together, the “Leased Property”) to Municipal Finance Corporation (the “Corporation”) under a Site Lease (the “Site Lease”) between the District and the Corporation, and the Corporation will lease the Leased Property to the District under a Lease Agreement (the “Lease Agreement”) between the Corporation and the District; and

WHEREAS, the District desires to obtain funds from EverBank, National Association (the “Lender”) in order to finance a portion of the costs of the Project, including payment of capitalized interest during the construction period of the Project, and to pay certain costs of issuance in connection with the Lease Agreement; and

WHEREAS, the Board of Trustees (the “Board”) of the District deems it beneficial for the District to enter into the Site Lease and the Lease Agreement, substantially in the forms presented to the Board at this meeting, and the other documentation related to the financing of the Project on the terms and conditions therein provided; and

WHEREAS, Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) (“SB 450”) requires that the Board obtain from an underwriter, municipal advisor or private lender and disclose, prior to authorization of the issuance of bonds, including debt instruments such as the Lease Agreement, with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the lease payments made pursuant to the Lease Agreement (the “Lease Payments”), (b) the sum of all fees and charges paid to third parties with respect to the Lease Agreement, (c) the amount of proceeds of the Lease Agreement expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Lease Agreement, and (d) the sum total of all Lease Payments with respect to the Lease Agreement calculated to the final Lease Payment Date under the Lease Agreement plus the fees and charges paid to third parties not paid with the proceeds of the Lease Agreement; and

WHEREAS, in compliance with SB 450, the Board obtained from the Lender the required good faith estimates and such estimates are disclosed and set forth on **Exhibit A** attached hereto.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Buena Park Library District, as follows:

Section 1. Approval of Site Lease. The form of Site Lease (the “Site Lease”), by and between the District, as lessor, and the Corporation, as lessee, in substantially the form as presented to the District at this meeting, is hereby approved. The President of the Board of Trustees, the President Pro Tem of the Board of Trustees and the Library Director (each, an “Authorized Officer,” and collectively, the

“Authorized Officers”) are hereby authorized and directed, for and on behalf of the District, to execute and deliver the Site Lease, in substantially the form presented to the District at this meeting, with such changes therein as the Authorized Officers may require or approve, with the advice and approval of the counsel to the District (“District Counsel”), such approval to be conclusively evidenced by the execution and delivery thereof.

Section 2. Approval of Lease Agreement. The form of Lease Agreement (the “Lease Agreement”), by and between the Corporation, as lessor, and the District, as lessee, in substantially the form as presented to the District at this meeting, along with the related Memorandum of Lease Agreement, is hereby approved. The Authorized Officers are hereby authorized and directed, for and on behalf of the District, to execute and deliver the Lease Agreement, in substantially the form presented to the District at this meeting, with such changes therein as the Authorized Officers may require or approve, with the advice and approval of District Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Approval of Tax Agreement. The form of Federal Tax Agreement (the “Tax Agreement”), to be executed by the District, in substantially the form as presented to the District at this meeting, is hereby approved. The Authorized Officers are hereby authorized and directed, for and on behalf of the District, to execute and deliver the Tax Agreement, in substantially the form presented to the District at this meeting, with such changes therein as the Authorized Officer may require or approve, with the advice and approval of District Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. Approval of Private Placement. The District hereby approves the assignment of the Lease Payments by the Corporation to the Lender, pursuant to and in accordance with an assignment agreement to be entered into by and between the Corporation and the Lender in substantially the form presented to the District at this meeting.

Section 5. SB 450 Good Faith Estimates. In accordance with SB 450, good faith estimates of the following have been obtained from the Corporation and are set forth on **Exhibit A** attached hereto: (a) the true interest cost of the Lease Payments made pursuant to the Lease Agreement, (b) the sum of all fees and charges paid to third parties with respect to the Lease Agreement, (c) the amount of proceeds of the Lease Agreement expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Lease Agreement, and (d) the sum total of all Lease Payments with respect to the Lease Agreement calculated to the final Lease Payment Date under the Lease Agreement plus the fees and charges paid to third parties not paid with the proceeds of the Lease Agreement.

Section 6. Designation of Lease Agreement as Bank-Qualified Obligation. The District hereby designates its obligations under the Lease Agreement as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The District hereby represents that it reasonably anticipates that it and other entities that it controls will not issue tax-exempt obligations (including the Lease Agreement), the aggregate principal amount of which exceeds \$10,000,000 during calendar year 2026.

Section 7. Declaration of Intent. The District has made certain capital expenditures in connection with the Project prior to the date hereof, and the District expects to make additional capital expenditures in connection with the Project in the future. The District intends to reimburse itself for all or a portion of such expenditures, to the extent permitted by law, with the proceeds of the Lease Agreement or other tax-exempt obligations to be delivered by the District. The maximum principal amount of the

Lease Agreement or other tax-exempt obligations expected to be delivered for the Project is not expected to exceed \$4,785,000.

Section 8. Official Actions. The Authorized Officers are hereby authorized and directed, for and in the name and on behalf of the District, to do any and all things and take any and all actions which they, or any of them, may deem necessary or advisable in order to consummate the transactions as described herein in connection with the financing of the Project, provided that the aggregate principal amount of the Lease Agreement shall not exceed \$4,785,000 and the true interest cost shall not exceed 4.69%, except as otherwise provided in the Lease Agreement, including executing any assignments, memoranda of lease agreements, certificates, requisitions, notices, consents, instruments of conveyance, warrants and other documents as may be necessary or desirable to carry out and comply with the intent of this resolution.

Section 9. Ratification of Prior Actions. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Board or by the officers, employees and agents of the District directed toward the financing of the Project for the purposes herein set forth are hereby ratified, approved and confirmed.

Section 10. Effective Date. This Resolution shall take effect immediately upon adoption and the Board Secretary shall certify to its adoption.

PASSED, APPROVED, and ADOPTED at a regular meeting of the Board of Trustees of the Buena Park Library District this 6th day of October, 2026.

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

Brenda Estrada, President
Board of Trustees

Attest:

Dr. Christian Quintero, Secretary
Board of Trustees

EXHIBIT A

GOOD FAITH ESTIMATES

The following information was obtained from the Lender and is provided in compliance with Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) with respect to the Lease Agreement:

1. *True Interest Cost of the Lease Agreement.* A good faith estimate of the true interest cost of the lease payments made pursuant to the Lease Agreement (the “Lease Payments”), which means the rate necessary to discount the amounts allocable as principal and interest components and payable on the respective Lease Payment Dates, as described under the Lease Agreement to the purchase price received for Lease Agreement, is 4.69%

2. *Finance Charge of the Lease Agreement.* A good faith estimate of the District’s finance charge of the Lease Agreement, which means the sum of all fees and charges paid to third parties (or costs associated with the Lease Agreement), is \$60,000.

3. *Amount of Proceeds to be Received by the District.* A good faith estimate of the amount of proceeds expected to be received by the District for sale of the Lease Agreement, less the finance charge of the Lease Agreement described in paragraph 2 above, is \$4,724,387.78, which includes \$224,287.78 for payment of capitalized interest on the Lease Agreement during the construction period for the Project.

4. *Total Payment Amount.* A good faith estimate of the total payment amount, which means the sum total of all Lease Payments the District will make to pay its obligations on the Lease Agreement plus the finance charge of the Lease Agreement described in paragraph 2 above not paid with the proceeds of the Lease Agreement, calculated to the final Lease Payment Date under the Lease Agreement, is \$7,470,767.

#

Gilmore & Bell, P.C.
Draft-October 2, 2026

RECORDING REQUESTED BY:
BUENA PARK LIBRARY DISTRICT

AFTER RECORDATION, MAIL TO:
Gilmore & Bell, P.C.
2405 Grand Blvd., Suite 1100
Kansas City, MO 64108
Attention: Jason Schurke, Esq.

DOCUMENTARY TRANSFER TAX: \$0.00 AS THE TERM OF THE LEASE AND ALL EXTENSIONS IS LESS THAN THIRTY-FIVE (35) YEARS. PROPERTY IS LOCATED IN THE COUNTY OF ORANGE. THIS DOCUMENT IS BEING RECORDED FOR THE BENEFIT OF BUENA PARK LIBRARY DISTRICT AND IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

SITE LEASE

SITE LEASE

THIS SITE LEASE (the “Site Lease”), dated as of October 13, 2026, is by and between the **BUENA PARK LIBRARY DISTRICT**, a library district duly organized and existing under the laws of the State of California (the “District”), as lessor, and **MUNICIPAL FINANCE CORPORATION**, a corporation duly organized and existing under and by virtue of the laws of the State of California (the “Corporation”), as lessee;

WITNESSETH:

WHEREAS, in order to provide funds to pay costs associated with renovation of the District’s library facility located at 7150 La Palma Avenue, Buena Park, California 90620 (the “Project”), the District has agreed to lease the real property and the library facility and improvements now or hereafter located thereon, as more particularly described in **Exhibit A** attached hereto and made a part hereof (together, the “Leased Property”) to the Corporation by entering into this Site Lease, to be recorded in the Office of the Orange County Clerk-Recorder in Orange County, California; and

WHEREAS, the Corporation proposes to lease the Leased Property back to the District pursuant to that certain Lease Agreement, dated as of October 13, 2026, a memorandum of which is recorded concurrently herewith (the “Lease Agreement”) and to assign all of its rights, title and interest in, to and under this Site Lease and the Lease Agreement, including its right to receive lease payments under the Lease Agreement (the “Lease Payments”), its right to enforce payment of the Lease Payments and otherwise to enforce its interest and rights under the Lease Agreement in the event of a default thereunder by the District, to EverBank, National Association (together with its successors and assigns, the “Lender”) pursuant to that certain Assignment Agreement, dated as of October 13, 2026, between the Corporation and the Lender, and recorded concurrently herewith;

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

Section 1. Definitions. Capitalized terms used, but not otherwise defined, in this Site Lease shall have the meanings ascribed to them in the Lease Agreement.

Section 2. Site Lease. The District hereby leases to the Corporation and the Corporation hereby leases from the District, on the terms and conditions hereinafter set forth, the Leased Property, subject only to the Permitted Encumbrances.

Section 3. Term. The term of this Site Lease shall commence on the Closing Date, as defined in the Lease Agreement, and shall end on October 13, 2046, unless such term is extended or sooner terminated as hereinafter provided. If, on October 13, 2046, the aggregate amount of Lease Payments (as defined in and as payable under the Lease Agreement) shall not have been paid by reason of abatement, default or otherwise, or provision shall not have been made for their payment in accordance with the Lease Agreement, then the term of this Site Lease shall be extended until such Lease Payments shall be fully paid or provision made for such payment, but in no event later than October 13, 2056. If, prior to October 13, 2056, all Lease Payments shall be fully paid or provision made for such payment in accordance with the Lease Agreement, the term of this Site Lease shall end.

Section 4. Advance Rental Payment. The District agrees to lease the Leased Property to the Corporation in consideration of the payment by the Corporation of an advance rental payment of \$4,784,387.78. The District and the Corporation agree such advance rental payment shall be funded by

the Lender directly to the District pursuant to the Assignment Agreement, and that by reason of such funding and the assignment of the Lease Payments to the Lender under and pursuant to the Assignment Agreement, the advance rental payment referenced in the preceding sentence shall be deemed to have been paid and satisfied in full.

Section 5. Purpose. The Corporation shall use the Leased Property solely for the purpose of leasing the Leased Property to the District pursuant to the Lease Agreement and for such purposes as may be incidental thereto; *provided, however*, that in the Event of Default by the District under the Lease Agreement, the Corporation and its assigns may exercise the remedies provided in the Lease Agreement.

Section 6. District's Interest in the Leased Property. The District covenants that it is the owner in fee of the Leased Property, subject only to Permitted Encumbrances.

Section 7. Assignments and Subleases. Unless the District shall be in default under the Lease Agreement, the Corporation may not assign its rights under this Site Lease or sublet the Leased Property, except as provided in the Lease Agreement and the Assignment Agreement, without the written consent of the District and the Lender. If the District is in default under the Lease Agreement, the Lender (including its successors and assigns under the Lease Agreement) may, upon thirty (30) days' prior written notice to the District, fully and freely assign and sublease the Leased Property or any portion thereof, subject to this Site Lease.

Section 8. Right of Entry. The District reserves the right for any of its duly authorized representatives to enter upon the Leased Property at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 9. Termination. The Corporation agrees, upon the termination of this Site Lease, to quit and surrender the Leased Property in the same good order and condition as the same were in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Leased Property at the time of the termination of this Site Lease shall remain thereon and title thereto shall vest in the District.

Section 10. Default. In the event the Corporation shall be in default in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for thirty (30) days following notice and demand for correction thereof to the Corporation, the District may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Lease Agreement shall be deemed to occur as a result thereof and the District shall have no right to terminate this Site Lease as a remedy for such default so long as the Lease Agreement remains in effect and Lease Payments remain outstanding; provided, however, that the District may terminate this Site Lease upon Corporation default with the prior written consent of the Lender. Notwithstanding the foregoing, so long as the Lease Agreement remains in effect, the District will continue to pay the Lease Payments to the Lender. In the event of the occurrence of an Event of Default under the Lease Agreement, the Corporation may (i) exercise the remedies provided in the Lease Agreement, (ii) use the Leased Property for any lawful purpose, subject to any applicable legal limitations or restrictions, and (iii) exercise all options provided herein.

Section 11. Quiet Enjoyment. The Corporation, at all times during the term of this Site Lease, shall peaceably and quietly have, hold and enjoy all of the Leased Property subject to the provisions of the Lease Agreement.

Section 12. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Corporation are solely liabilities of the Corporation and the District hereby releases each and every board

member, director, officer, employee and agent of the Corporation of and from any personal or individual liability under this Site Lease. No board member, director, officer, employee or agent of the Corporation shall at any time or under any circumstances be individually or personally liable under this Site Lease for anything done or omitted to be done by the Corporation hereunder. All liabilities under this Site Lease on the part of the District are solely liabilities of the District and the Corporation hereby releases each and every board member, trustee, officer, employee and agent of the District of and from any personal or individual liability under this Site Lease. No board member, trustee, officer, employee or agent of the District shall at any time or under any circumstances be individually or personally liable under this Site Lease for anything done or omitted to be done by the District hereunder.

Section 13. Taxes. All assessments of any kind or character and all taxes, including possessory interest taxes, levied or assessed upon the Leased Property or the Corporation's interest in the Leased Property created by this Site Lease (including both land and improvements) will be paid by the District in accordance with the Lease Agreement; provided, however, that the District shall not be responsible for any taxes arising from the Corporation's or Lender's use, assignment or subletting of the Leased Property following an Event of Default under the Lease Agreement.

Section 14. Eminent Domain. In the event the whole or any part of the Leased Property is taken by eminent domain proceedings, the interest of the Corporation shall be recognized and is hereby determined to be the amount of the then unpaid principal component of the Lease Payments, any then unpaid interest component of the Lease Payments and any premium due with respect to the prepayment of Lease Payments to the date such amounts are remitted to the Corporation or its assignee, and, subject to the provisions of the Lease Agreement, the balance of the award, if any, shall be paid to the District. The District hereby waives, to the extent permitted by law, any and all rights that it has or may hereafter have to acquire the interest of the Corporation in and to the Leased Property through the eminent domain powers of the District; provided, however, that this waiver shall not apply following the payment in full of all Lease Payments under the Lease Agreement. However, the District hereby agrees, to the extent permitted by law, that the compensation to be paid in any condemnation proceedings brought by or on behalf of the District with respect to the Leased Property shall be in an amount not less than the total unpaid principal component of Lease Payments, the interest component of Lease Payments accrued to the date of payment of all Lease Payments and any premium due with respect to the prepayment of Lease Payments under the Lease Agreement.

Section 15. Use of the Proceeds. The District and the Corporation hereby agree that the lease to the Corporation of the District's right and interest in the Leased Property pursuant to **Section 2** serves the public purposes of the District.

Section 16. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall, to any extent, be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding, order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 17. Notices. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered mail, return receipt requested, postage prepaid, at the addresses set forth in the Lease Agreement, or to such other addresses as the respective parties may from time to time designate by notice in writing.

Section 18. Binding Effect. This Site Lease shall inure to the benefit of and shall be binding upon the District and the Corporation and their respective successors and assigns. The Lender is hereby made a third-party beneficiary hereunder with all rights of a third-party beneficiary.

Section 19. Amendment. This Site Lease may not be amended except by a written instrument signed by the District, the Corporation and the Lender, and as otherwise permitted under the Lease Agreement.

Section 20. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site Lease.

Section 21. Applicable Law. This Site Lease shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and performed in California.

Section 22. No Merger. Neither this Site Lease, the Lease Agreement nor any provisions hereof or thereof shall be construed to effect a merger of the title of the District to the Leased Property under this Site Lease and the District's leasehold interest therein under the Lease Agreement.

Section 23. Execution in Counterparts. This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the District and the Corporation have caused this Site Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

BUENA PARK LIBRARY DISTRICT

By: _____
Name: _____
Title: _____

MUNICIPAL FINANCE CORPORATION

By: _____
Name: William A. Morton
Title: President

[Signature Page to Site Lease]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

COUNTY OF ORANGE)

On October ____, 2026, before me, _____, Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and who acknowledged to me that he/she/they executed the same in their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(SEAL)

[Notary Page to Site Lease]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

COUNTY OF ORANGE)

On October ____, 2026, before me, _____, Notary Public, personally appeared WILLIAM A. MORTON, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and who acknowledged to me that he/she/they executed the same in their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(SEAL)

[Notary Page to Site Lease]

EXHIBIT A

DESCRIPTION OF THE LEASED PROPERTY

The Leased Property consists of the land described below located at 7150 La Palma Avenue, Buena Park, California 90620, together with the building and improvements now or hereafter located thereon and all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto funded with proceeds of the advance rental payment described in the Site Lease, and any and all insurance and/or proceeds thereof, described as follows:

[To Come.]

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Site Lease, dated as of October 13, 2026, from the Buena Park Library District, as lessor (the “District”), to Municipal Finance Corporation (the “Corporation”), as lessee, is hereby accepted by the undersigned officer on behalf of the Corporation, pursuant to authority conferred by the Board of Directors of the Corporation adopted on October ___, 2026, and the lessee consents to recordation thereof by its duly authorized officer.

Dated: October 13, 2026.

MUNICIPAL FINANCE CORPORATION

By: _____
William A. Morton
President

LEASE AGREEMENT

Dated as of October 13, 2026

by and between

MUNICIPAL FINANCE CORPORATION

and the

BUENA PARK LIBRARY DISTRICT

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LEASE AGREEMENT

THIS LEASE AGREEMENT (this “Lease Agreement”), dated as of October 13, 2026, is by and between **MUNICIPAL FINANCE CORPORATION**, a corporation duly organized and existing under the laws of the State of California, as lessor (the “Corporation”), and **BUENA PARK LIBRARY DISTRICT**, a library district duly organized and existing under the laws of the State of California (the “District”);

WITNESSETH:

WHEREAS, in order to provide funds to pay costs associated with renovation of the District’s library facility located at 7150 La Palma Avenue, Buena Park, California 90620 (the “Project”), the District has agreed to lease the real property and the library facility and improvements now or hereafter located thereon, as more particularly described in **Exhibit A** attached hereto and made a part hereof (together, the “Leased Property”) to the Corporation by entering into a Site Lease, dated as of October 13, 2026 (the “Site Lease”), which is recorded concurrently herewith in the Office of the Orange County Clerk-Recorder; and

WHEREAS, the Corporation proposes to lease the Leased Property back to the District pursuant to this Lease Agreement evidenced by a Memorandum of Lease Agreement recorded concurrently with the Site Lease, and to assign certain of its rights, title and interest in, to and under this Lease Agreement, including its right to receive lease payments under this Lease Agreement (the “Lease Payments”), its right to enforce payment of the Lease Payments and otherwise to enforce its interest and rights under this Lease Agreement in the event of a default hereunder by the District and its rights under the Site Lease, to EverBank, National Association (including its successors and assigns, the “Lender”), pursuant to that certain Assignment Agreement dated as of October 13, 2026 (the “Assignment Agreement”), between the Corporation and the Lender, which Assignment Agreement is being recorded concurrently herewith;

WHEREAS, the District and the Corporation have agreed to enter into this Lease Agreement providing for Lease Payments with an aggregate principal component in the amount of \$4,784,387.78 for the purpose of implementing the transaction described above, including payment of capitalized interest during the construction period for the Project and Costs of Issuance (as defined herein);

WHEREAS, the District and the Corporation agree to mutually cooperate now and hereafter, to the extent possible, in order to sustain the intent of this Lease Agreement and the bargain of both parties hereto.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the premises and the covenants hereinafter contained and for other good and valuable consideration, the parties hereto hereby formally covenant, agree and bind themselves as follows:

ARTICLE I DEFINITIONS; RULES OF INTERPRETATION

Section 1.1. Definitions. All terms defined in this **Section 1.1** have the meanings herein specified for all purposes of this Lease Agreement.

“Additional Payments” means the amounts specified as such in **Section 4.3(b)** of this Lease Agreement.

“Applicable Environmental Laws” means and shall include, but shall not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”), 42 USC Sections 9601 et seq.; the Resource Conservation and Recovery Act (“RCRA”), 42 USC Sections 6901 et seq.; the Federal Water Pollution Control Act, 33 USC Sections 1251 et seq.; the Clean Air Act, 42 USC Sections 7401 et seq.; the California Hazardous Waste Control Law (“HWCL”), California Health & Safety Code Sections 25100 et seq.; the Hazardous Substance Account Act (“HSAA”), California Health & Safety Code Sections 25300 et seq.; the Porter-Cologne Water Quality Control Act (the “Porter-Cologne Act”), California Water Code Sections 1300 et seq.; the Air Resources Act, California Health & Safety Code Sections 3900 et seq.; the Safe Drinking Water & Toxic Enforcement Act, California Health & Safety Code Sections 25249.5 et seq.; and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, whether currently in existence or hereafter enacted, that govern:

- (a) the existence, cleanup, and/or remedy of contamination on property;
- (b) the protection of the environment from spilled, deposited, or otherwise emplaced contamination;
- (c) the control of hazardous wastes; or
- (d) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.

“Assignment Agreement” means the Assignment Agreement, dated as of October 13, 2026, by and between the Corporation, as assignor of its rights under the Site Lease and this Lease Agreement, and the Lender, as assignee, as originally executed or as thereafter amended under any duly authorized and executed amendments thereto.

“Business Day” means a day other than a Saturday, Sunday or legal holiday, on which banking institutions are not closed in the State.

“Closing Date” means October 13, 2026.

“Corporation” means Municipal Finance Corporation, a corporation duly organized and existing under the laws of the State of California.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the District relating to the authorization and execution of this Lease Agreement, including but not limited to filing and recording fees, fees, charges and disbursements of attorneys, Lender fees, fees of counsel to the Lender, counsel to the Corporation, the Corporation’s arranger fee, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of this Lease Agreement, fees and expenses associated with delivery of the title policy, administrative costs of the District and the Corporation incurred in connection with the execution and delivery of this Lease Agreement, title insurance expense, and any other cost, charge or fee in connection with the original execution and delivery of this Lease Agreement, including fees of the California Debt and Investment Advisory Commission.

“Date of Taxability” means the date as of which the interest components of Lease Payments become includable in the gross income of the Lender for federal income taxation purposes because of a Determination of Taxability.

“Default Rate” means the Tax-Exempt Interest Rate or the Taxable Interest Rate on this Lease Agreement currently in effect, plus 3% per annum.

“Determination of Taxability” means any event or occurrence or any determination, decision or decree made in regard to Section 103 of the Tax Code by the Commissioner of the Internal Revenue Service or any officer of the Internal Revenue Service empowered to make such determinations, or by any court of competent jurisdiction, to the effect that the interest components of Lease Payments under this Lease Agreement are includable in the gross income of the Lender for federal income taxation purposes as a result of the failure of the District to comply with the requirements of the Tax Code or any State law with respect to the exemption of income on this Lease Agreement from federal or State taxation, or as a result of a change in law.

“District” means the Buena Park Library District, a library district and political subdivision duly organized and existing under and by virtue of the laws of the State of California.

“District Representative” means the Library Director or the designee of any such official, or any other person authorized by resolution delivered to the Corporation and the Lender to act on behalf of the District under or with respect to the Site Lease and this Lease Agreement.

“Event of Default” means any of the events of default as defined in **Section 8.1**.

“Federal Securities” means any direct general non-callable 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), or obligations the timely payment of principal of and interest on which are directly guaranteed by the United States of America.

“Fiscal Year” means each twelve-month period during the Term of this Lease Agreement commencing on July 1 in any calendar year and ending on June 30 in the next succeeding calendar year, or any other twelve-month period selected by the District as its fiscal year period.

“Governmental Authority” means any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other person with authority to bind a party at law.

“Hazardous Substance” means any substance that shall, at any time, be listed as “hazardous” or “toxic” in any Applicable Environmental Law or that has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under Applicable Environmental Laws; and also means, without limitation, raw materials, building components, the products of any manufacturing, or other activities on the Leased Property, wastes, petroleum, and source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954, as amended (42 USC Sections 3011 et seq.).

“Lease Agreement” means this Lease Agreement, dated as of October 13, 2026, by and between the Corporation and the District, as amended and supplemented hereafter.

“Lease Payment Date” means semiannual payments on April 13 and October 13 in each year, commencing on April 13, 2027, and continuing to and including the date on which the Lease Payments are paid in full, as set forth on **Exhibit B** to this Lease Agreement.

“Lease Payments” means all payments required to be paid by the District under **Section 4.3**, including any prepayment thereof under **Section 9.1** or **9.2**.

“Leased Property” means that certain real property, building and other improvements located thereon which are more particularly described in **Exhibit A** to the Site Lease and in **Exhibit A** to this Lease Agreement.

“Lender” means (a) initially, EverBank, National Association, as assignee of all rights, title and interests of the Corporation hereunder, and (b) any other entity to whom the rights of the Corporation hereunder are assigned, including subsequent assignees of the Lender, as provided in **Section 7.4**.

“Material Adverse Effect” means an event or occurrence which adversely affects in a material manner (a) the assets, liabilities, condition (financial or otherwise), business, facilities or operations of the District, (b) the ability of the District to carry out its business in the manner conducted as of the date of this Lease Agreement or to meet or perform its obligations under this Lease Agreement on a timely basis, (c) the validity or enforceability of this Lease Agreement, or (d) the exclusion of the interest component of the Lease Payments from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes.

“Material Litigation” means any action, suit, proceeding, inquiry or investigation against the District in any court or before any arbitrator of any kind or before or by any Governmental Authority which, (i) if determined adversely to the District, may have a Material Adverse Effect, (ii) seeks to restrain or enjoin any of the transactions contemplated by this Lease Agreement, or (iii) may adversely affect (A) the exclusion of the interest component of the Lease Payments from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes or (B) the ability of the District to perform its obligations under this Lease Agreement.

“Net Proceeds” means any insurance or eminent domain award (including any proceeds of sale to a governmental entity under threat of the exercise of eminent domain powers), paid with respect to the Leased Property, to the extent remaining after payment therefrom of all expenses incurred in the collection thereof.

“Permitted Encumbrances” means, as of any time: (a) liens for general *ad valorem* taxes and assessments, if any, not then delinquent, or which the District may permit to remain unpaid under **Article VI**; (b) the Site Lease, this Lease Agreement and the Assignment Agreement; (c) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (d) the exceptions disclosed in the title insurance policy issued with respect to the Leased Property issued as of the Closing Date; and (e) any easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record and which the District certifies in writing will not materially impair the use of the Leased Property for its intended purposes.

“Project” means the renovations to the District’s library facility that are acquired, constructed and installed with proceeds of this Lease Agreement and other moneys of the District.

“Project Fund” means the account named “Buena Park Library District 2026 Project Fund” established and held by the District.

“Purchase Price” means the amount set forth on the Schedule of Lease Payments attached hereto as **Exhibit B** that the District may, at its option, pay to the Lender to purchase the Leased Property.

“Rental Period” means the period from the Closing Date through June 30, 2027, and, thereafter, the twelve-month period commencing on July 1 of each year during the Term of this Lease Agreement.

“Site Lease” means the Site Lease, dated as of October 13, 2026, by and between the District, as lessor, and the Corporation, as lessee, together with any duly authorized and executed amendments thereto.

“State” means the State of California.

“Tax Code” means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Tax Code.

“Tax Agreement” means that certain Federal Tax Agreement, dated the Closing Date, concerning certain matters pertaining to the use and investment of proceeds of this Lease Agreement executed by the District on the date of the execution and delivery thereof, including any and all exhibits attached thereto.

“Tax-Exempt Interest Rate” means an interest rate equal to 4.69% per annum.

“Taxable Interest Rate” means an interest rate equal to 6.32% per annum.

“Term of this Lease Agreement” or **“Term”** means the time during which this Lease Agreement is in effect, as provided in **Section 4.2**.

Section 1.2. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and do not affect the meaning, construction or effect hereof.

(c) All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Lease Agreement; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Lease Agreement as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 2.1. Covenants, Representations and Warranties of the District. The District makes the following covenants, representations and warranties to the Corporation and the Lender as of the date of the execution and delivery of this Lease Agreement:

(a) *Due Organization and Existence.* The District is a library district and political subdivision duly organized and existing under and by virtue of the laws of the State, has full legal right, power and authority under the laws of the State to enter into the Site Lease, this Lease Agreement and the Tax Agreement, and to carry out and consummate all transactions on its part contemplated hereby and thereby, and by proper action the District has duly authorized the execution and delivery by the District of the Site Lease, this Lease Agreement and the Tax Agreement.

(b) *Due Execution.* The representative of the District executing the Site Lease, this Lease Agreement and the Tax Agreement has been fully authorized to execute the same by a resolution duly adopted by the Board of Trustees of the District.

(c) *Valid, Binding and Enforceable Obligations.* The Site Lease, this Lease Agreement and the Tax Agreement have been duly authorized, executed and delivered by the District and constitute the legal, valid and binding agreements of the District enforceable against the District in accordance with their respective terms.

(d) *No Conflicts.* The execution and delivery of the Site Lease, this Lease Agreement and the Tax Agreement, the consummation of the transactions therein and herein contemplated and the fulfillment of or compliance with the terms and conditions thereof and hereof, do not and will not conflict with or constitute a material violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the District is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the District, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site Lease or this Lease Agreement or the financial condition, assets, properties or operations of the District.

(e) *Consents and Approvals.* No consent or approval of any trustee or holder of any indebtedness of the District or of the voters of the District, and no consent, permission, authorization, order or license of, or filing or registration with, any Governmental Authority is necessary in connection with the execution and delivery of the Site Lease and this Lease Agreement, or the consummation of any transaction therein and herein contemplated, except as have been obtained or made and as are in full force and effect.

(f) *No Litigation.* There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other Governmental Authority pending and notice of which has been served on the District or, to the knowledge of the District after reasonable investigation, threatened against or affecting the District or the assets, properties or operations of the District which, if determined adversely to the District or its interests, would have a Material Adverse Effect upon the consummation of the transactions contemplated by or the validity of the Site Lease and this Lease Agreement or upon the financial condition, assets, properties or operations of the District, and the District is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other Governmental Authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease Agreement, or the financial condition, assets, properties or operations of the District.

(g) *Sufficient Funds.* The District reasonably believes that sufficient funds can be obtained to make all Lease Payments and all other amounts required to be paid pursuant to this Lease Agreement.

(h) *No Defaults.* To the best knowledge of the District, after due inquiry, the District has never non-appropriated or materially defaulted under any of its payment or performance obligations or covenants, either under any financing lease of the same general nature as this Lease Agreement, or under any of its bonds, notes, or other debt obligations.

(i) *Fee Title.* The District is the owner in fee of title to the Leased Property. No lien or encumbrance on the Leased Property materially impairs the District's use of the Leased Property for the purposes for which it is, or may reasonably be expected to be, held.

(j) *Use of the Leased Property.* During the term of this Lease Agreement, the Leased Property will be used by the District only for the purpose of performing one or more governmental or proprietary functions of the District consistent with the permissible scope of the District's authority

(k) *Change in Financial Condition.* The District has experienced no material change in its financial condition since June 30, 2025 (date of last audit).

(l) *Flooding Risk.* To the best knowledge of the District, the Leased Property is not located in a flood hazard area and has not been subject to material damage from flooding.

(m) *Value of Property and Useful Life of the Leased Property.* The value of the Leased Property (including structures and land value) is not less than \$4,784,387.78, and the useful life of the Leased Property extends at least to October 13, 2046.

(n) *Essential to District Operations.* The Leased Property is essential to the District's efficient and economic operations and the lease thereof for use by the District is in the best interest of the District.

(o) *Financial Statements.* The statement of financial position of the District as of June 30, 2025, and the related statement of activities and statement of cash flows and changes in financial position for the year then ended and the auditors' reports with respect thereto, copies of which have heretofore been furnished to the Lender, are complete and correct and fairly present the financial condition, changes in financial position and results of operations of the District at such date and for such period, and were prepared in accordance with generally accepted accounting principles. Since the period of such statements, there has been no (i) change which would have a Material Adverse Effect, and (ii) material increase in the indebtedness of the District.

(p) *Compliance with Seismic Building Code Requirements.* To the best knowledge of the District, and without independent investigation, the Leased Property was built in compliance with seismic building code requirements of the State of California at the time such improvements were constructed.

(q) *No Material Adverse Change.* Since the most current date of the information, financial or otherwise, supplied by the District to the Lender:

(i) There has been no change in the assets, liabilities, financial position or results of operations of the District which might reasonably be anticipated to cause a Material Adverse Effect.

(ii) The District has not incurred any obligations or liabilities which might reasonably be anticipated to cause a Material Adverse Effect.

(iii) The District has not (A) incurred any material indebtedness on, or lease obligations payable from, its general fund, other than the Lease Payments, and trade accounts payable arising in the ordinary course of the District's business and not past due, or (B) guaranteed the indebtedness of any other person.

(r) *Accuracy of Information.* All information, reports and other papers and data furnished by the District to the Lender were, at the time the same were so furnished, complete and accurate in all material respects and insofar as necessary to give the Lender a true and accurate knowledge of the subject matter and were provided in expectation of the Lender's reliance thereon in entering into the transactions contemplated by this Lease Agreement. No fact is known to the District which has had or, so far as the District can now reasonably foresee, may in the future have a Material Adverse Effect, which has not been set forth in the financial statements previously furnished to the Lender or in other such information, reports, papers and data or otherwise disclosed in writing to the Lender prior to the Closing Date. Any financial, budget and other projections furnished to the Lender by the District or its or their agents were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of the conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the date of this representation, represent the District's best estimate of its future financial performance. No document furnished nor any representation, warranty or other written statement made to the Lender in connection with the negotiation, preparation or execution of this Lease Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state (as of the date made or furnished) any material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were or will be made, not misleading.

(s) *Hazardous Substances.* To the best knowledge of the District, the Leased Property is free of all Hazardous Substances other than those used in the ordinary course of business of the District, and the District is in full compliance with all Applicable Environmental Laws.

(t) *No Financial Advisory or Fiduciary Relationship.* The District represents, warrants and covenants that: (i) the transaction contemplated herein and in the Assignment Agreement is an arm's length commercial transaction among the District, the Corporation and the Lender and its affiliates, (ii) in connection with such transaction, the Lender and its affiliates are acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent or a fiduciary of the District, (iii) the Lender and its affiliates are relying on the bank exemption in the Municipal Advisor Rules, (iv) the Lender and its affiliates have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the District with respect to the transaction contemplated hereby or by the Assignment Agreement and the discussions, undertakings and procedures leading thereto (whether or not the Lender, or any affiliate of the Lender, has provided other services or advised, or is currently providing other services or advising the District on other matters), (v) the Lender and its affiliates have financial and other interests that differ from those of the District, and (vi) the District has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate.

(u) *EMMA Filings.* In the event the District files with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its successor ("EMMA"), this Lease Agreement, the Site Lease, the Assignment Agreement or any description of the material terms thereof or notice of any agreement to covenants, events of default, remedies, priority rights or other similar terms, either voluntarily or as required pursuant to a continuing disclosure agreement or Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934, as amended (the "Rule") (each such posting, an "EMMA Posting"), the District (i) shall provide the Lender with a copy of each EMMA Posting as soon

as it becomes publicly available and (ii) shall not file or permit the filing of any EMMA Posting that includes Confidential Information. The District acknowledges and agrees that the Lender is not responsible for the District's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with any continuing disclosure agreement or any applicable securities or other laws, including, but not limited to, those relating to the Rule. For purposes of this Section 2.1(u), the term "Confidential Information" means contact information, account numbers, or other personally identifiable information (such as names, titles, signatures, account and wiring information).

Section 2.2. Covenants, Representations and Warranties of the Corporation. The Corporation makes the following covenants, representations and warranties to the District and Lender as of the date of the execution and delivery of this Lease Agreement:

(a) *Due Organization and Existence.* The Corporation is a corporation duly organized and existing under the laws of the State, has full legal right, power and authority to enter into the Site Lease, this Lease Agreement and the Assignment Agreement and to carry out and consummate all transactions on its part contemplated hereby and thereby, and by proper action the Corporation has duly authorized the execution and delivery by the Corporation of the Site Lease, this Lease Agreement and the Assignment Agreement.

(b) *Due Execution.* The representative of the Corporation executing the Site Lease, this Lease Agreement and the Assignment Agreement is fully authorized to execute the same under official action taken by the Board of Trustees of the Corporation.

(c) *Valid, Binding and Enforceable Obligations.* The Site Lease, this Lease Agreement and the Assignment Agreement have been duly authorized, executed and delivered by the Corporation and constitute the legal, valid and binding agreements of the Corporation, enforceable against the Corporation in accordance with their respective terms.

(d) *No Conflicts.* The execution and delivery of the Site Lease, this Lease Agreement and the Assignment Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof and thereof, do not and will not conflict with or constitute a material violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Corporation is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site Lease, this Lease Agreement and the Assignment Agreement or the financial condition, assets, properties or operations of the Corporation.

(e) *Consents and Approvals.* No consent or approval of any trustee or holder of any indebtedness of the Corporation, and no consent, permission, authorization, order or license of, or filing or registration with, any Governmental Authority is necessary in connection with the execution and delivery of the Site Lease, this Lease Agreement or the Assignment Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(f) *No Litigation.* To the best knowledge of the Corporation, there is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other Governmental Authority pending and notice of which has been served on the Corporation or, to the knowledge of the Corporation after reasonable investigation, threatened against or affecting the Corporation or the assets, properties or operations of the Corporation which, if determined adversely to the Corporation or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of the Site Lease, this Lease Agreement or the Assignment Agreement, or upon the financial condition, assets, properties or operations of the Corporation, and the Corporation is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other Governmental Authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site Lease, this Lease Agreement or the Assignment Agreement or the financial condition, assets, properties or operations of the Corporation.

(g) *Continued Existence of the Corporation.* The Corporation will take or cause to be taken all actions reasonably necessary to continue its existence until such time as the Lease Payments have been paid in full.

(h) *Municipal Advisor Rules.* The Corporation is not acting as an advisor to the District, including, without limitation, as a “Municipal Advisor” as such term is defined in the Municipal Advisor Rules, or an agent or a fiduciary of the District and the Corporation has not provided any advice or assumed any advisory or fiduciary responsibility in favor of the District with respect to the transaction contemplated hereby or by the Site Lease and the discussions, undertakings and procedures leading thereto.

ARTICLE III. DEPOSIT AND APPLICATION OF FUNDS; CREATION OF PROJECT FUND

Section 3.1. Deposit of and Application of Funds; Creation of Project Fund. The District shall create and hold, maintain, administer and account for a separately segregated fund into which the proceeds of this Lease Agreement derived from amounts paid by the Lender under the Assignment Agreement shall be deposited, including all investment earnings thereon (the “Project Fund”). On the Closing Date, the Lender shall cause the amount of \$4,724,387.78 to be wire transferred to the District for deposit in the Project Fund and applied to pay a portion of the costs of the Project and payment of capitalized interest during the construction period for the Project in the amount of \$224,387.78. In addition, a portion of the amounts paid by the Lender under the Assignment Agreement shall be wire transferred to the Corporation to pay Costs of Issuance in the amount of \$60,000. Any Costs of Issuance in excess of \$60,000 shall be paid by the District. Amounts in the Project Fund may only be used to pay costs of the Project and Costs of Issuance and may not be used for any other purpose.

Section 3.2. Appointment of District as Agent of Corporation. The Corporation hereby appoints the District as its agent to carry out all phases of the Project under and in accordance with the provisions hereof. The District hereby accepts its appointment as agent of the Corporation and assumes all rights, liabilities, duties and responsibilities of the Corporation regarding the Project. The District, as agent of the Corporation hereunder, will enter into, administer and enforce all purchase orders or other contracts relating to the Project. All contracts for, and all work relating to, the Project are subject to all applicable provisions of law relating to the acquisition, construction, improvement, and equipping of like facilities, equipment and property by the District.

Section 3.3. Acquisition, Construction and Installation of the Project; Quarterly Project Fund Reports to Lender. As agent of the Corporation, the District hereby agrees with due diligence to

supervise and provide for, or cause to be supervised and provided for, the acquisition, construction and installation of the Project in accordance with the plans and specifications, purchase orders, construction contracts and other documents relating thereto and approved by the District under all applicable requirements of law. Upon written request of the Lender, the District shall provide copies of the records pertaining to the Project Fund and disbursements therefrom. The Project Fund will be terminated at the earliest of (a) final distribution of amounts held in the Project Fund, (b) written notice given by the Lender of an Event of Default by the District under this Lease Agreement, or (c) termination of this Lease Agreement.

ARTICLE IV LEASE OF PROPERTY; LEASE PAYMENTS

Section 4.1. Lease of Property by the Corporation Back to the District.

(a) The Corporation hereby leases the Leased Property to the District, and the District hereby leases the Leased Property from the Corporation, upon the terms and conditions set forth in this Lease Agreement.

(b) The leasing of the Leased Property by the District to the Corporation pursuant to the Site Lease shall not affect or result in a merger of the District's leasehold estate pursuant to this Lease Agreement and its fee estate as lessor under the Site Lease. This Lease Agreement shall constitute a sublease with respect to the Leased Property. The leasehold interest in the Leased Property granted by the District to the Corporation pursuant to the Site Lease is and shall be independent of this Lease Agreement; this Lease Agreement shall not be an assignment or surrender of the leasehold interest in the Leased Property granted to the Corporation under the Site Lease.

Section 4.2. Term. The Term of this Lease Agreement commences on the Closing Date and ends on October 13, 2046, or the date on which all of the Lease Payments have been paid in full. If on October 13, 2046, the Lease Payments payable hereunder shall have been abated at any time and for any reason and not otherwise paid from rental interruption insurance or other sources, or the District shall have defaulted in its payment of Lease Payments hereunder or any Event of Default has occurred and continues without cure by the District, then the term of this Lease Agreement shall be extended for the actual period of abatement or for so long as the default remains uncured, as necessary to accommodate the final payment of all Lease Payments due hereunder, not to exceed ten (10) years. The provisions of this **Section 4.2** are subject to the provisions of **Section 6.1** relating to the taking in eminent domain of the Leased Property or any portion thereof.

Section 4.3. Lease Payments.

(a) *Obligation to Pay.* Subject to the provisions of **Sections 6.1** and **6.3** and the provisions of **Article IX**, the District agrees to pay to the Corporation, its successors and assigns, the Lease Payments (denominated into components of principal and interest) in the amounts specified in **Exhibit B** attached hereto (including any supplements thereto) and by this reference incorporated herein, to be due and payable in immediately available funds on each of the respective Lease Payment Dates specified in **Exhibit B**. The Lease Payments payable in any Rental Period with respect to the Leased Property shall be for the District's use of the Leased Property during such Rental Period. The interest component of the portion of the Lease Payments has been calculated based on the Tax-Exempt Interest Rate, calculated on the basis of a 360-day year of twelve 30-day months. In the event the District does not make any Lease Payments by the applicable Lease Payment Date, the interest component of the portion of the Lease Payment shall bear interest at the Default Rate from its due date. In the event of a Determination of

Taxability, from and after the Date of Taxability, the interest component of Lease Payments shall bear interest at the Taxable Interest Rate.

(b) *Additional Payments.* In addition to the Lease Payments set forth herein, the District agrees to pay as Additional Payments all of the following:

(i) all taxes and assessments of any nature whatsoever, including but not limited to excise taxes, ad valorem taxes, ad valorem and specific lien special assessments and gross receipts taxes, if any, levied upon the Leased Property or upon any interest of the Corporation therein or in this Lease Agreement; provided, however, the District may, at the District's expense and in its name, in good faith contest any such taxes and assessments and, in the event of such contest, may permit such taxes and assessments to remain unpaid during the period of such contest and appeal therefrom unless the Corporation shall notify the District that by nonpayment of any such items, the interest of the Corporation in the Leased Property will be materially endangered or the Leased Property, or any portion thereof, will be subject to loss or forfeiture, in which event the District shall promptly pay such taxes and assessments or provide the Corporation with full security against any loss which may result from nonpayment, in form satisfactory to the Corporation;

(ii) insurance premiums, if any, on all insurance required under the provisions of **Article V**;

(iii) any other reasonable fees, costs or expenses incurred by the Corporation in connection with the execution, performance or enforcement of this Lease Agreement or any of the transactions contemplated hereby or related to the Leased Property, including, without limitation, any amounts which may become due; provided, however, the District shall not be responsible for any costs incurred by the Corporation associated with any assignment made by the Lender;

(iv) any amounts required to be paid as rebate to the United States pursuant to the Tax Agreement; and

(v) upon the occurrence of a Determination of Taxability with respect to this Lease Agreement, the District shall, with respect to future Lease Payments, make Additional Payments resulting from the application of the Taxable Interest Rate thereto directly to the Corporation equal to the difference between the interest component of the Lease Payments calculated at the interest rate provided in this Lease Agreement and the interest component of the Lease Payments calculated at the Taxable Interest Rate; provided, however, in no event shall the total of the Lease Payments and the aggregate Additional Payments under this **Section 4.3(b)(v)** for any Fiscal Year exceed the annual fair rental value of the Leased Property. In addition, the District shall make immediately upon demand of the Corporation an Additional Payment to the Corporation sufficient to indemnify the Corporation for any prior Lease Payments determined to be taxable as a consequence of a Determination of Taxability such that the taxable prior Lease Payments will be calculated at the Taxable Interest Rate instead of the interest rate set forth in this Lease Agreement; provided, however, in no event shall the total of the Lease Payments and the aggregate Additional Payments under this **Section 4.3(b)(v)** for any Fiscal Year exceed the annual fair rental value of the Leased Property. To the extent that all such Additional Payments have not been paid to the Corporation at the end of the term of this Lease Agreement, the Term shall be extended in accordance with **Section 4.2**.

Amounts constituting Additional Payments payable hereunder shall be paid by the District directly to the person or persons to whom such amounts shall be payable. The District shall pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 30 days after notice in writing from the Corporation to the District stating the amount of Additional Payments then due and payable and the purpose thereof.

(c) *Effect of Prepayment.* If the District prepays all Lease Payments in full under **Section 9.1** or **9.2**, the District's obligations under this Section will thereupon cease and terminate. If the District prepays the Lease Payments in part but not in whole under **Section 9.1** or **9.3**, the principal components of the remaining Lease Payments will be applied first to reduce the principal components of the Lease Payments in inverse order of the Lease Payment Dates.

(d) *Rate on Overdue Payments.* If the District fails to make any of the payments required in this **Section 4.3**, the payment in default will continue as an obligation of the District until the amount in default has been fully paid, and the District agrees to pay the same with interest thereon, from the date of default to the date of payment at the Default Rate.

(e) *Fair Rental Value.* The Lease Payments coming due and payable during each Rental Period constitute the total rental for the Leased Property for such Rental Period, and will be paid by the District in each Rental Period for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of the Leased Property during each Rental Period. The parties hereto have agreed and determined that the total Lease Payments due during each Rental Period are not in excess of the fair rental value of the Leased Property during such Rental Period. In making this determination, consideration has been given to the estimated fair market value of the Leased Property, the estimated replacement cost of the Leased Property, the uses and purposes which may be served by the Leased Property and the benefits therefrom which will accrue to the District and the general public.

(f) *Source of Payments; Budget and Appropriation.* The Lease Payments and Additional Payments are payable from any source of legally available funds of the District, subject to the provisions of **Sections 6.1** and **6.3**. The District covenants to take such action as may be necessary to include all Lease Payments and Additional Payments in each of its annual budgets during the Term of this Lease Agreement and to make the necessary annual appropriations for all such Lease Payments and Additional Payments. The covenants on the part of the District herein contained constitute duties imposed by law and it is the duty of officials of the District vested with the authority to execute the terms of this Lease Agreement to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the District to carry out and perform the covenants and agreements in this Lease Agreement agreed to be carried out and performed by the District.

(g) *Allocation of Lease Payments.* All Lease Payments received shall be applied first to the interest components of the Lease Payments due hereunder, then to the principal components of the Lease Payments due hereunder, but no such application of any payments that are less than the total rental due and owing shall be deemed a waiver of any default hereunder.

(h) *No Offsets.* Notwithstanding any dispute between the Corporation, or Lender as the Corporation's assignee, and the District, the District shall make all Lease Payments when due without deduction or offset of any kind and shall not withhold any Lease Payments pending the final resolution of such dispute.

(i) *Assignment Agreement.* The District understands and agrees that all Lease Payments have been assigned by the Corporation to the Lender under the Assignment Agreement executed concurrently herewith, and the District hereby consents to such assignment. The Corporation hereby

directs the District, and the District hereby agrees, to pay to the Lender (or to its assignees as directed pursuant to **Section 7.4**) all payments payable by the District under this **Section 4.3** and all amounts payable by the District under **Article IX**. Lease Payments shall be paid to the Lender in accordance with wire instructions provided by the Lender from time to time.

Section 4.4. Quiet Enjoyment. Throughout the Term of this Lease Agreement, the Corporation will provide the District with quiet use and enjoyment of the Leased Property and the District will peaceably and quietly have and hold and enjoy the Leased Property, without suit, trouble or hindrance from the Corporation, except as expressly set forth in this Lease Agreement. The Corporation will, at the request of the District and at the District's cost, join in any legal action in which the District asserts its right to such possession and enjoyment to the extent the Corporation may lawfully do so. Notwithstanding the foregoing, the Corporation and the Lender have the right to inspect the Leased Property as provided in **Sections 5.14(c)** and **7.2**.

Section 4.5. Title. At all times during the Term of this Lease Agreement, the District shall hold title to the Leased Property, including all additions which comprise fixtures, repairs, replacements or modifications thereto, subject to Permitted Encumbrances and subject to the provisions of **Section 7.2**.

Upon the termination of this Lease Agreement (other than under **Section 8.2(b)**), all right, title and interest of the Corporation in and to the Leased Property shall be transferred to and vested in the District. Upon the payment in full of all Lease Payments allocable to the Leased Property, or upon the deposit by the District of security for such Lease Payments as provided in **Section 9.3**, all right, title and interest of the Corporation in and to the Leased Property shall be transferred to and vested in the District. The Corporation agrees to take any and all steps and execute and record any and all documents reasonably required by the District to consummate any such transfer.

Section 4.6. Release of Excess Property. The District may, at any time and from time to time, release any portion of the Leased Property (the "Released Property") from this Lease Agreement, with the prior written consent of the Lender, which consent shall be at the Lender's sole discretion and shall not be unreasonably withheld, and upon satisfaction of all of the following requirements which are conditions precedent to such release:

(a) The District shall certify to the Corporation and the Lender that no Event of Default has occurred and is continuing, and no event giving rise to an abatement of Lease Payments under **Section 6.3** has occurred or is continuing with respect to the Leased Property to be remaining following release of the Released Property;

(b) The District shall file with the Corporation and the Lender, and cause to be recorded in the office of the Orange County Recorder, an amendment to this Lease Agreement which deletes the Released Property from the description of the Leased Property;

(c) The District shall file with the Corporation and the Lender a written certificate of the District stating the District's determination that the estimated value of the real property which will remain leased under this Lease Agreement following such release is at least equal to the original principal components of the Lease Payments and upon request of the Lender, the District shall provide to the Lender additional information and documents to evidence the value of the remaining portion of the Leased Property;

(d) The District shall file with the Corporation and the Lender a written certificate of the District stating the District's determination that the estimated fair rental value, for each remaining Rental Period and in the aggregate, of the Leased Property remaining after release of the Released

Property is at least equal to the remaining Lease Payments for each remaining Rental Period and in the aggregate;

(e) The District shall furnish the Corporation and the Lender with a written opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to the Lender stating that the release of the Released Property does not cause the interest components of the Lease Payments to become includable in gross income for purposes of federal income taxation or to become subject to personal income taxation by the State; and

(f) The District shall file with the Corporation and the Lender such other information, documents and instruments as the Corporation or the Lender shall reasonably request, including (if requested by the Lender) evidence of the insurable value of the Leased Property to be remaining following release of the Released Property, indicating that such value is in excess of the then unpaid principal component of the Lease Payments and such endorsements to the title policy delivered on the Closing Date.

Upon the satisfaction of all such conditions precedent, the Term of this Lease Agreement will thereupon end as to the Released Property. The District is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such release. The Corporation and the District shall execute, deliver and cause to be recorded all documents required to discharge this Lease Agreement of record against the Released Property.

Section 4.7. Substitution of Property. In the event of damage or destruction of the Leased Property due to earthquake or other uninsured casualty for which rental interruption insurance is not available or in the event that following the condemnation of all or a portion of the Leased Property the fair rental value of the Leased Property remaining after such condemnation is less than the remaining Lease Payments due under this Lease Agreement, the District shall substitute under the Site Lease and this Lease Agreement one or more parcels of unimpaired and unencumbered real property, the fair rental value of which, for each remaining Rental Period and in the aggregate, shall be at least equal to the remaining unpaid principal components of the Lease Payments hereunder.

(a) If for any reason the District is unable to so substitute real property for the Leased Property with a fair rental value at least equal to the remaining unpaid principal components of the Lease Payments hereunder, the District shall use commercially reasonable efforts to obtain other financing in an amount necessary to prepay the principal component of the Lease Payments not supported by the fair rental value of the substituted property, if any.

(b) The District, with Lender's prior written consent, which consent shall be at the Lender's sole discretion and shall not be unreasonably withheld, has the option at any time and from time to time, to substitute other real property (the "Substitute Property") for the Leased Property or any portion thereof (the "Former Property"), upon satisfaction of all of the following requirements which are hereby declared to be conditions precedent to such substitution:

(i) No Event of Default has occurred and is continuing.

(ii) The District has filed with the Corporation and the Lender and caused to be recorded in the office of the Orange County Recorder sufficient memorialization of an amendment hereof which adds the legal description of the Substitute Property to **Exhibit A** and deletes therefrom the legal description of the Former Property.

(iii) The District has obtained a CLTA or ALTA policy of title insurance insuring the District's leasehold estate hereunder in the Substitute Property, subject only to Permitted Encumbrances, in an amount at least equal to the remaining Lease Payments.

(iv) The District has certified in writing to the Corporation and the Lender that the Substitute Property serves the public purposes of the District and constitutes property which the District is permitted to lease under the laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the District and to serve an essential governmental function of the District.

(v) The Substitute Property does not cause the District to violate any of its covenants, representations and warranties made herein.

(vi) The District has filed with the Corporation and the Lender a written certificate of the District or other written evidence stating that (i) the value of the Leased Property after such substitution is at least equal to the remaining unpaid principal components of the Lease Payments, (ii) the fair rental of the Leased Property after such substitution is at least equal to the Lease Payments thereafter coming due and payable, and (iii) the useful life of the Substitute Property at least extends to October 13, 2046.

(vii) The District shall furnish the Corporation and the Lender with a written opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lender stating that the Substitute Property does not cause the interest components of the Lease Payments to become includable in gross income for purposes of federal income taxation or to become subject to personal income taxation by the State.

Upon the satisfaction of all such conditions precedent, the Term of this Lease Agreement will thereupon end as to the Former Property and commence as to the Substitute Property, and all references to the Former Property will apply with full force and effect to the Substitute Property. The District is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of any substitution of property under this Section. The Corporation and the District will execute, deliver and cause to be recorded all documents required to discharge the Site Lease, this Lease Agreement and the Assignment Agreement of record against the Former Property and to cause the Substitute Property to become subject to all of the terms and conditions of the Site Lease, this Lease Agreement and the Assignment Agreement.

ARTICLE V MAINTENANCE; TAXES; INSURANCE; AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments. Throughout the Term of this Lease Agreement, as part of the consideration for the rental of the Leased Property, all improvement, repair and maintenance of the Leased Property are the sole responsibility of the District and the District will maintain the Leased Property in good condition. The District will pay for or otherwise arrange for the payment of all utility services supplied to the Leased Property, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Leased Property resulting from ordinary wear and tear or want of care on the part of the District or any assignee or sublessee thereof. In exchange for the Lease Payments herein provided, the Corporation agrees to provide only the Leased Property, as hereinbefore more specifically set forth. The District waives the benefits of subsections 1 and 2 of Section 1932, Section 1933(4) and Sections 1941 and 1942 of the

California Civil Code, but such waiver does not limit any of the rights of the District under the terms of this Lease Agreement.

The District will pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Corporation or the District affecting the Leased Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the District is obligated to pay only such installments as are required to be paid during the Term of this Lease Agreement as and when the same become due.

The District may, at the District's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Corporation shall notify the District that, in its reasonable opinion, by nonpayment of any such items the interest of the Corporation in the Leased Property will be materially endangered or the Leased Property or any part thereof will be subject to loss or forfeiture, in which event the District will promptly pay such taxes, assessments or charges or provide the Corporation with full security against any loss which may result from nonpayment, in form satisfactory to the Corporation. The District shall promptly notify the Lender of any tax, assessment, utility or other charge it elects to contest.

Section 5.2. Modification of the Leased Property. The District has the right, at its own expense, to make additions, modifications and improvements to the Leased Property or any portion thereof. All additions, modifications and improvements to the Leased Property will thereafter comprise part of the Leased Property and become subject to the provisions of this Lease Agreement. Such additions, modifications and improvements may not in any way damage the Leased Property, prevent the District's beneficial use of the Leased Property, or cause the Leased Property to be used for purposes other than those authorized under the provisions of state and federal law; and the Leased Property, upon completion of any additions, modifications and improvements made thereto under this Section, must be of a value which is not substantially less than the value thereof immediately prior to the making of such additions, modifications and improvements.

Section 5.3. Commercial General Liability Insurance. The District shall maintain or cause to be maintained throughout the Term of this Lease Agreement a standard commercial general liability insurance policy or policies in protection of the District, the Lender and their respective members, officers, agents, employees and assigns, and shall name the Lender as an additional insured. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Leased Property. Such policy or policies must provide coverage with limits and subject to such deductibles as the District shall deem adequate and prudent, and in all events in form and amount (including any deductibles) satisfactory to the Lender. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the District (including, with Lender's prior written consent, a self-insurance program), and may be maintained in whole or in part in the form of the participation by the District in a joint powers authority or other program providing pooled insurance. The District will apply the proceeds of such liability insurance toward extinguishment or satisfaction of the liability with respect to which such proceeds have been paid.

Section 5.4. Casualty Insurance; Flood Coverage.

(a) *Requirement to Maintain Casualty Insurance.* The District will procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease Agreement, casualty insurance against loss or damage to all buildings and other improvements situated on the Leased Property and

owned by the District, in an amount at least equal to the greater of the replacement value of the insured buildings and other improvements and the aggregate principal amount of the Lease Payments outstanding, with a lender's loss payable endorsement in favor of the Lender. Such insurance must, as nearly as practicable, cover loss or damage by all "special form" perils. Earthquake insurance shall only be carried if available from reputable insurers at a reasonable cost as determined by the District Manager of the District. Such insurance shall be subject to a deductible of not to exceed \$25,000. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the District (including, with the Lender's prior written consent, a self-insurance program), and may be maintained in whole or in part in the form of the participation by the District in a joint powers authority or other program providing pooled insurance. The District will apply the Net Proceeds of such insurance as provided in **Section 6.2**.

(b) *Flood Insurance.* If at any time and for so long as the Leased Property is located in a 100-year flood area as shown on a Flood Insurance Rate Map published by the Federal Emergency Management Agency, the policy or policies of casualty insurance provided under this **Section 5.4** shall include insurance against loss or damage to the Leased Property due to flooding. If the District obtains an exception or waiver to the designation of the Leased Property as being within a 100-year flood area from the Federal Emergency Management Agency, the District shall not be required to provide flood insurance as set forth in this subsection (b). To the extent the District fails to procure adequate flood insurance within 30 days after receipt of notification that such flood insurance is required, the Lender may take such action as is necessary to procure such flood insurance, including advancing payment for such flood insurance, and the District shall be obligated to promptly (within 30 days) repay the Lender the cost of such flood insurance and all such advances as additional rental hereunder, with interest at the rate set forth in **Section 4.3(d)**.

(c) *Federal or State Disaster Aid.* Should the Leased Property be damaged or destroyed as a result of an event for which federal or State disaster aid is available, the Corporation and/or the District shall promptly apply for disaster aid. Any disaster aid proceeds received shall be used to repair, reconstruct, restore or replace the damaged or destroyed portions of the Leased Property or, at the option of the District and the Corporation, to prepay the Lease Payments if permitted under the disaster aid program and the law.

Section 5.5. Rental Interruption Insurance. The District will procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease Agreement, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of the Leased Property and the improvements situated thereon as a result of any of the hazards covered in the insurance required by **Section 5.4**, in an amount at least equal to the maximum Lease Payments coming due and payable during any future 24-month period. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the District and may be maintained in whole or in part in the form of the participation by the District in a joint powers authority or other program providing pooled insurance; provided that such rental interruption insurance shall not be self-insured by the District. The District will apply the Net Proceeds of such insurance towards the payment of the Lease Payments allocable to the insured improvements as the same become due and payable.

Section 5.6. Workers' Compensation Insurance. If required by applicable California law, the District shall carry workers' compensation insurance covering all employees on, in, near or about the Leased Property and, upon request, shall furnish to the Corporation certificates evidencing such coverage throughout the Term of this Lease Agreement. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the District (including a self-insurance program) and may be maintained in whole or in part in the form of the participation by the District in a joint powers authority or other program providing pooled insurance.

Section 5.7 Payment and Performance Bonds. Each contractor entering into a construction contract relating to the Project, or the construction manager at risk or any first-tier subcontractor entering into a construction contract with the construction manager at risk for the construction of the Project is required to furnish a performance bond and a separate labor and material payment bond, copies of which will be provided to the Lender. In the event of any material default by a contractor, or the construction manager at risk or any first-tier subcontractor entering into a construction contract with the construction manager at risk, under any construction contract, or in the event of a material breach of warranty with respect to any materials, workmanship or performance, the District will promptly proceed, either separately or in conjunction with others, to pursue diligently its remedies against such contractor and/or against each surety of any bond securing the performance of such construction contracts. The Net Proceeds of any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, remaining after deduction of expenses incurred in such recovery (including, without limitation, attorneys' fees and costs), and after reimbursement to the District of any amounts theretofore paid by the District and not previously reimbursed to the District for correcting or remedying the default or breach of warranty which gave rise to the proceedings against the contractor or surety, will be deposited by the District into the Project Fund if received before the Completion Date therefor or if received thereafter, will be deposited as otherwise provided in **Section 6.2(a)**. The Net Proceeds of any performance or payment bond or insurance policy required by this Section will likewise be paid into the Project Fund if received before the Completion Date, or, if received thereafter, will either be deposited as provided in **Section 6.2(a)**. Any payment and performance bonds delivered in accordance with this **Section 5.7** shall be delivered by a surety rated "A" or better by AM Best and shall name the Lender as an additional obligee.

Section 5.8. Recordation Hereof; Title Insurance. On or before the Closing Date, the District shall, at its expense, (a) cause this Lease Agreement (or a memorandum hereof), the Site Lease and the Assignment Agreement, in form and substance approved by Lender, to be recorded in the office of the Orange County Recorder with respect to the Leased Property, and (b) obtain a CLTA or ALTA title insurance policy insuring the Lender's interests in the estate established under the Site Lease and hereunder in the Leased Property, subject only to Permitted Encumbrances, in an amount equal to the original principal components of the Lease Payments. The District will apply the Net Proceeds of such insurance as provided in **Section 6.2**.

Section 5.9. Insurance Net Proceeds; Form of Policies. All insurance policies (or riders) required by this **Article V** and provided by third party insurance carriers shall be taken out and maintained with responsible insurance companies organized under the laws of one of the states of the United States and qualified to do business in the State, and shall contain a provision that the insurer shall not cancel or revise coverage thereunder without giving written notice to the insured parties at least ten days before the cancellation or revision becomes effective. Each insurance policy or rider required by **Sections 5.3, 5.4 and 5.5** and provided by third party insurance carriers shall name the District and the Lender as insured parties and the Lender as loss payee and shall include a lender's loss payable endorsement for the benefit of the Lender. In the case of coverage pursuant to **Section 5.3**, the Corporation and the Lender shall be added as additional insureds. Prior to the Closing Date, the District will deposit with the Lender policies (and riders and endorsements, if applicable) evidencing any such insurance procured by it, or a certificate or certificates of the respective insurers stating that such insurance is in full force and effect. Before the expiration of any such policy (or rider), the District will furnish to the Lender evidence that the policy has been renewed or replaced by another policy conforming to the provisions of this **Article V** unless such insurance is no longer obtainable, in which event the District shall notify the Lender of such fact.

Section 5.10. Installation of District's Personal Property. The District may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed other items

of equipment or other personal property in or upon the Leased Property. All such items shall remain the sole property of the District, in which the Corporation has no interest, and may be modified or removed by the District at any time. The District must repair and restore any and all damage to the Leased Property resulting from the installation, modification or removal of any such items. Nothing in this Lease Agreement prevents the District from purchasing or leasing items to be installed under this Section under a lease or conditional sale agreement, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest may attach to any part of the Leased Property.

Section 5.11 Liens. The District will not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property, other than as herein contemplated and except for such encumbrances as the District certifies in writing to the Lender do not materially and adversely affect the leasehold estate in the Leased Property hereunder and for which the Lender provides its prior written approval, which approval shall be at Lender's sole discretion. Except as expressly provided in this **Article V**, the District will promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The District will reimburse the Lender for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

Section 5.12. Advances. If the District fails to perform any of its obligations under this **Article V**, the Corporation may take such action as may be necessary to cure such failure, including the advancement of money, and the District shall be obligated to repay all such advances as additional rental hereunder, with interest at the rate set forth in **Section 4.3(d)**.

Section 5.13. District Consent to Assignment Agreement. The Corporation's rights under this Lease Agreement (excluding the right to receive notices, the right to reimbursement of costs and to indemnification), including the right to receive and enforce payment of the Lease Payments, and the Site Lease, are being assigned to the Lender pursuant to the Assignment Agreement. The District hereby consents to such assignment and to any additional assignment of such rights by the Lender or its assignees. The District agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements, which may be reasonably requested by the Lender or its assignees to protect their interests in the Leased Property and in this Lease Agreement.

Section 5.14. Environmental Covenants.

(a) *Compliance with Laws; No Hazardous Substances.* The District will comply with all Applicable Environmental Laws with respect to the Leased Property and will use, store, generate, treat, transport, or dispose of any Hazardous Substance used thereon in the normal course of business in compliance with all applicable laws and regulations. Should any Hazardous Substance be permitted by the District to flow, migrate, leak, leach, or otherwise come to rest on or in the Leased Property, the District will indemnify the Corporation, and its assignees, as provided in **Section 7.3**.

(b) *Notification of Lender.* The District will transmit copies of all notices, orders, or statements received from any governmental entity concerning violations or asserted violations of Applicable Environmental Laws with respect to the Leased Property and any operations conducted thereon or any conditions existing thereon to the Lender, and the District will notify the Lender in writing immediately of any release, discharge, spill, or deposit of any Hazardous Substance that has occurred or is occurring that in any way affects or threatens to affect the Leased Property, or the people, structures, or other property thereon, provided that no such notification shall create any liability or obligation on the part of the Lender.

(c) *Access for Inspection.* The District will permit the Lender, its agents, or any experts designated by the Lender to have full access to the Leased Property during reasonable business hours for purposes of such independent investigation of compliance with all Applicable Environmental Laws, provided that the Lender has no obligation to do so, or any liability for any failure to do so, or any liability should it do so.

ARTICLE VI EMINENT DOMAIN; USE OF NET PROCEEDS

Section 6.1. Eminent Domain. If all of the Leased Property shall be taken permanently under the power of eminent domain or sold to a governmental entity threatening to exercise the power of eminent domain, the Term of this Lease Agreement shall cease as of the day possession shall be so taken. If less than all of the Leased Property shall be taken permanently, or if all of the Leased Property or any part thereof shall be taken temporarily under the power of eminent domain, (1) this Lease Agreement shall continue in full force and effect and shall not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and (2) there shall be a partial abatement of Lease Payments in an amount equal to the application of the Net Proceeds of any eminent domain award to the prepayment of the Lease Payments hereunder, in an amount to be agreed upon by the District and the Lender such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portion of the Leased Property.

Section 6.2. Application of Net Proceeds.

(a) *From Insurance Award.*

(i) Any Net Proceeds of insurance against damage to or destruction of any part of the Leased Property collected by the District in the event of any such damage or destruction shall be deposited by the District promptly upon receipt thereof in a special fund with the Lender designated as the "Insurance and Condemnation Fund."

(ii) Within ninety (90) days following the date of such deposit, the District shall determine and notify the Corporation and the Lender in writing of its determination either (A) that the replacement, repair, restoration, modification or improvement of the Leased Property is not economically feasible or in the best interest of the District and the Net Proceeds, together with other moneys available therefor, are sufficient to cause the prepayment of the principal components of all unpaid Lease Payments pursuant to **Section 9.2**, or (B) that all or a portion of such Net Proceeds are to be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Leased Property and the fair rental value of the Leased Property following such repair, restoration, replacement, modification or improvement will at least equal the unpaid principal component of the Lease Payments.

(iii) In the event the District's determination is as set forth in clause (A) of subparagraph (ii) above, such Net Proceeds shall be promptly applied to the prepayment of the unpaid principal component of the Lease Payments and other amounts pursuant to **Section 9.2**; *provided, however*, that in the event of damage or destruction of the Leased Property in full, such Net Proceeds may be so applied only if sufficient, together with other moneys available therefor, to cause the prepayment of the principal components of all unpaid Lease Payments, all accrued and unpaid interest, and all other costs related to such prepayments pursuant to **Section 9.2** and otherwise such Net Proceeds shall be applied to the prompt replacement, repair, restoration, modification or improvement of the Leased Property; *provided further, however*, that in the event of damage or destruction of the Leased Property in part, such Net Proceeds may be applied to the

prepayment of the unpaid principal component of the Lease Payments only if the resulting Lease Payments following such prepayment from Net Proceeds represent fair consideration for the remaining portions of the Leased Property and otherwise such Net Proceeds shall be applied to the prompt replacement, repair, restoration, modification or improvement of the Leased Property, evidenced by a certificate signed by a District Representative.

(iv) In the event the District's determination is as set forth in clause (B) of subparagraph (ii) above, such Net Proceeds shall be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Leased Property by the District, and until the Leased Property has been restored to its prior condition, the District shall not place any lien or encumbrance on the Leased Property that is senior to this Lease Agreement without the prior written consent of the Lender, at its sole discretion.

(b) *From Eminent Domain Award.* If all or any part of the Leased Property shall be taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain) the Net Proceeds therefrom shall be deposited by the District in the Insurance and Condemnation Fund and shall be applied and disbursed as follows:

(i) If the District has given written notice to the Corporation and the Lender of its determination that (A) such eminent domain proceedings have not materially affected the operation of the Leased Property or the ability of the District to meet any of its obligations with respect to the Leased Property under this Lease Agreement, and (B) such proceeds are not needed for repair or rehabilitation of the Leased Property, the District shall so certify to the Corporation and the Lender, and the District shall credit such proceeds towards the prepayment of the Lease Payments pursuant to **Section 9.2** of this Lease Agreement.

(ii) If the District has given written notice to the Corporation and the Lender of its determination that (A) such eminent domain proceedings have not materially affected the operation of the Leased Property or the ability of the District to meet any of its obligations with respect to the Leased Property under this Lease Agreement, and (B) such proceeds are needed for repair, rehabilitation or replacement of the Leased Property, the District shall so certify to the Corporation and the Lender, and the District shall apply such amounts for such repair or rehabilitation.

(iii) If (A) less than all of the Leased Property shall have been taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the District has given written notice to the Corporation and the Lender of its determination that such eminent domain proceedings have materially affected the operation of the Leased Property or the ability of the District to meet any of its obligations with respect to the Leased Property under this Lease Agreement or (B) all of the Leased Property shall have been taken in such eminent domain proceedings, then the District shall credit such proceeds towards the prepayment of the Lease Payments pursuant to **Section 9.2** of this Lease Agreement.

(iv) In making any determination under this **Section 6.2(b)**, the District may, but shall not be required to, obtain at its expense, the report of an independent engineer or other independent professional consultant, a copy of which shall be filed with the Corporation and the Lender. Any such determination by the District shall be final.

(c) *From Title Insurance.* The Net Proceeds from a title insurance award shall be deposited by the District in the Insurance and Condemnation Fund and credited towards the prepayment of Lease Payments required to be paid pursuant to **Section 9.2** of this Lease Agreement.

Section 6.3. Abatement of Lease Payments in the Event of Damage or Destruction. Lease Payments shall be abated during any period in which, by reason of damage or destruction, there is substantial interference with the use and occupancy by the District of the Leased Property or any portion thereof to the extent to be agreed upon by the District and the Lender. The parties agree that the amounts of the Lease Payments under such circumstances shall not be less than the amounts of the unpaid Lease Payments as are then set forth in **Exhibit B**, unless such unpaid amounts are determined to be greater than the fair rental value of the portions of the Leased Property not damaged or destroyed, based upon an appropriate method of valuation, in which event the Lease Payments shall be abated such that they represent said fair rental value. Such abatement shall continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction as evidenced by a Certificate of a District Representative to the Corporation and the Lender. In the event of any such damage or destruction, this Lease Agreement shall continue in full force and effect and the District waives any right to terminate this Lease Agreement by virtue of any such damage and destruction. Notwithstanding the foregoing, there shall be no abatement of Lease Payments under this **Section 6.3** to the extent that (a) the proceeds of rental interruption insurance, or (b) amounts in the Insurance and Condemnation Fund are available to pay Lease Payments which would otherwise be abated under this **Section 6.3**, it being hereby declared that such proceeds and amounts constitute special funds for the payment of the Lease Payments.

ARTICLE VII OTHER COVENANTS OF THE DISTRICT

Section 7.1. Disclaimer of Warranties. THE CORPORATION MAKES NO AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE DISTRICT OF THE LEASED PROPERTY OR ANY PORTION THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED PROPERTY OR ANY PORTION THEREOF. THE DISTRICT ACKNOWLEDGES THAT THE DISTRICT LEASES THE LEASED PROPERTY AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE DISTRICT. In no event is the Corporation liable for incidental, indirect, special or consequential damages, in connection with or arising out of this Lease Agreement for the existence, furnishing, functioning or use of the Leased Property by the District.

Section 7.2. Access to the Leased Property; Grant and Conveyance of Right of Entry. The District agrees that the Corporation, and the Corporation's successors or assigns, has the right at all reasonable times, following at least 48 hours written notice provided to the District, to enter upon and to examine and inspect (to the extent permitted by law and public policy) the Leased Property or any part thereof. The District further agrees that the Corporation, and the Corporation's successors or assigns shall have such rights of access to the Leased Property or any component thereof, following at least 48 hours written notice provided to the District, as may be reasonably necessary to cause the proper maintenance of the Leased Property if the District fails to perform its obligations hereunder. Neither the Corporation nor any of its assigns has any obligation to cause such proper maintenance.

Section 7.3. Release and Indemnification Covenants. The District hereby indemnifies the Corporation, the Lender and their respective directors, officers, agents, employees, successors and assigns against all claims, losses and damages, including legal fees and expenses, arising out of (a) the use, maintenance, condition or management of, or from any work or thing done on the Leased Property by the District or the District's employees, agents, contractors, invitees or licensees, (b) any breach or default on the part of the District in the performance of any of its obligations under this Lease Agreement, (c) any negligence or willful misconduct of the District or of any of its agents, contractors, servants, employees or

licensees with respect to the Leased Property, (d) any intentional misconduct or negligence of any sublessee of the District with respect to the Leased Property, (e) the acquisition, construction, improvement and equipping of the Leased Property, (f) the use, presence, storage, disposal or clean-up of any Hazardous Substances or toxic wastes from the Leased Property, or (g) any claim alleging violation of any Applicable Environmental Laws, or the authorization of payment of the costs thereof. No indemnification is made under this **Section 7.3** or elsewhere in this Lease Agreement for willful misconduct or gross negligence under this Lease Agreement by the Corporation, the Lender, or their respective officers, agents, employees, successors or assigns. The indemnification hereunder shall continue in full force and effect for a period of three (3) years following the full payment of all obligations under this Lease Agreement or the termination of the Term of this Lease Agreement for any reason. The District and the Corporation each agree to promptly give notice to each other and the Lender of any claim or liability hereby indemnified against following learning thereof.

Section 7.4. Assignment Agreement by the Corporation. The Corporation's rights, title and interests under this Lease Agreement, including the right to receive and enforce payment of the Lease Payments to be made by the District hereunder, have been assigned to the Lender; provided that the Corporation's rights to indemnification and payment or reimbursement for any costs or expenses hereunder have been retained by the Corporation to the extent such rights accrue to the Corporation and shall have been assigned to the Lender to the extent such rights accrue to the Lender. The District hereby consents to such assignment. Whenever in this Lease Agreement any reference is made to the Corporation, such reference shall be deemed to refer to the Lender (including its assignees).

The Lender may make additional assignments of its rights, title and interests herein; provided such assignment is to (i) a subsidiary or affiliate of the Lender; (ii) a "Bank" as defined in Section 3(a)(2) of the Securities Act of 1933 as amended (the "Securities Act"); (iii) an "Accredited Investor" as defined in Regulation D under the Securities Act; or (iv) a "Qualified Institutional Buyer" as defined in Rule 144A under the Securities Act. Any such assignment shall be in compliance with all applicable securities laws, and no such assignment will be effective as against the District unless and until the Lender has filed with the District prior written notice thereof and an executed copy of a letter addressed to the District and the Corporation substantially in the form of the letter delivered by the Lender on the Closing Date; provided, however, that such written notice and letter shall not be required to be provided to the District if assignment or transfer of this Lease Agreement is made to a subsidiary or affiliate of the Lender, and the Lender continues as servicer for the Lease Payments paid hereunder. The District shall pay all Lease Payments hereunder to the Lender, as provided in **Section 4.3(i)**, or under the written direction of the assignee named in the most recent assignment or notice of assignment filed with the District. During the Term of this Lease Agreement, the District will keep a complete and accurate record of all such notices of assignment.

Section 7.5. Assignment Agreement and Subleasing by the District. This Lease Agreement may not be assigned, mortgaged, pledged or transferred by the District. The District may sublease the Leased Property, or any portion thereof, with the prior written consent of the Lender, which consent shall not be unreasonably withheld, conditioned or delayed, subject to all of the following conditions:

(a) This Lease Agreement and the obligation of the District to make Lease Payments hereunder shall remain obligations of the District, and any sublease shall be subject and subordinate to this Lease Agreement.

(b) The District shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Corporation and the Lender a true and complete copy of such sublease.

(c) No such sublease by the District may cause the Leased Property to be used for a purpose other than as may be authorized under the provisions of the laws of the State.

(d) A firm of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to the Lender shall furnish the Corporation and the Lender with a written opinion stating that such sublease does not cause the interest components of the Lease Payments to become includable in gross income for purposes of federal income taxation or to become subject to personal income taxation by the State.

(e) Any such sublease shall be subject and subordinate in all respects to the Site Lease and this Lease Agreement.

Notwithstanding the foregoing, in connection with any sublease entered into for financing purposes, the principal component of the then remaining Lease Payments plus the principal component of the sublease payments shall not exceed the fair market value of the Leased Property.

Section 7.6. Amendment of Lease Agreement. This Lease Agreement may be amended with the prior written consent of the District, the Corporation and the Lender (which consent of the Lender shall not be unreasonably withheld, delayed or conditioned) provided such amendment does not materially and adversely affect the Lender's rights or security under this Lease Agreement.

Section 7.7. Tax Covenants. The District shall not take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, the interest components of the Lease Payments to become includable in gross income for federal income tax purposes. To that end, the District hereby makes the following specific covenants:

(a) The District hereby covenants that it shall not make or permit any use of the proceeds of this Lease Agreement that may cause this Lease Agreement to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended.

(b) The District covenants that the proceeds of this Lease Agreement will not be used so as to cause the proceeds of this Lease Agreement to satisfy the private business tests of Section 141(b) of the Tax Code or the private loan financing test of Section 141(c) of the Tax Code.

(c) The District covenants not to take any action or permit or suffer any action to be taken if the result of the same would be to cause this Lease Agreement to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(d) The District shall comply with the instructions and requirements of the Tax Agreement, which is incorporated herein as if fully set forth herein. This covenant shall survive payment in full of the Lease Payments.

Section 7.8. Financial Statements and Other Financial Information. During the Term of this Lease Agreement, the District shall furnish or cause to be furnished to the Lender, upon request and at the District's expense, audited financial statements of the District within two hundred seventy (270) days following the end of each Fiscal Year; provided, however, that should the audited financial statements be publicly available on the District's website, such posting on the website shall satisfy the requirements of this Section. In the event that the audited financial statements are not available within 270 days of the end of the Fiscal Year, the District will furnish unaudited financial statements to the Lender within such 270-day period, and will then supply the audited financial statements to the Lender

immediately upon the availability thereof. Any audited financial statements furnished to the Lender shall be prepared in accordance with generally accepted accounting principles, consistently applied, and shall fairly present the District's financial condition as of the date of the statements. The District hereby further agrees to provide the Lender with such other information as may be reasonably requested by the Lender.

Section 7.9. Records and Accounts. The District covenants and agrees that it shall keep proper books of record and accounts of its operations, in which complete and correct entries shall be made of all transactions relating to the District. Said books and records shall at all reasonable times be subject to the inspection of the Lender upon 72 hours' prior notice.

Section 7.10. Observance of Laws and Regulations. The District will well and truly keep, observe and perform or cause to be kept, observed and performed all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired and enjoyed by the District, including the District's right to exist and carry on business as a library district, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 7.11. Notices. During the Term of this Lease Agreement, the District shall provide to the Lender:

(a) immediate notice by telephone, promptly confirmed in writing, of any event, action or failure to take any action which constitutes an Event of Default under this Lease Agreement, together with a detailed statement by a District Representative of the steps being taken by the District to cure the effect of such Event of Default.

(b) within ten (10) days after the District gains knowledge, written notice of any Material Litigation or Material Adverse Effect, or any investigation, inquiry or similar proceeding by any Governmental Authority.

(c) with reasonable promptness, such other information respecting the District, and the operations, affairs and financial condition of the District as the Lender may from time to time reasonably request.

ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Events of Default Defined. Any one or more of the following events constitutes an Event of Default hereunder:

(a) Failure by the District to pay any Lease Payment or other payment required to be paid hereunder at the time specified herein.

(b) Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, other than as referred to in the preceding clause (a) of this Section, for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the District by the Lender. However, if in the reasonable opinion of the District the failure stated in the notice can be corrected, but not within such 30-day period, the Corporation and the Lender shall not unreasonably withhold their consent to an extension of such time

(for a period not to exceed 60 days) if corrective action is instituted by the District within such 30-day period and diligently pursued until the default is corrected.

(c) The filing by the District of a voluntary petition in bankruptcy, or failure by the District promptly to lift any execution, garnishment or attachment, or adjudication of the District as a bankrupt, or assignment by the District for the benefit of creditors, or the entry by the District into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the District in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar federal or State act now existing or which may hereafter be enacted.

(d) Any statement, representation or warranty of a material nature made by the District in or pursuant to this Lease Agreement or its execution, delivery or performance shall have been false, incorrect, misleading or breached in any material respect on the date when made.

(e) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which the District is an obligor, if such default (i) arises under any other agreement for borrowing money, lease financing of property or provision of credit provided by the Lender or any affiliate of the Lender, (ii) is material in nature, and (iii) remains uncured after the expiration of any applicable cure or grace period provided under such other agreement.

(f) Any default by the District to observe any material covenant, condition or agreement on its part to be observed or performed under the Site Lease.

(g) Any court of competent jurisdiction shall find or rule that the Site Lease or this Lease Agreement is not valid or binding against the District.

(h) Any Material Adverse Effect shall exist which materially impairs the ability of the District to perform its payment obligations under this Lease Agreement.

Section 8.2. Remedies on Default. Whenever any Event of Default has happened and is continuing, the Corporation may exercise any and all remedies available under law or granted under this Lease Agreement; provided, however, that notwithstanding anything herein to the contrary, there shall be no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable. Each and every covenant hereof to be kept and performed by the District is expressly made a condition and upon the breach thereof the Corporation may exercise any and all rights granted hereunder; provided that no termination of this Lease Agreement shall be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided. Upon the occurrence and during the continuance of any Event of Default, the Corporation may exercise any one or more of the following remedies:

(a) *Enforcement of Payments Without Termination.* If the Corporation does not elect to terminate this Lease Agreement in the manner hereinafter provided for in subparagraph (b) hereof, the District agrees to and shall remain liable for the payment of all Lease Payments and the performance of all conditions herein contained and shall reimburse the Corporation for any deficiency arising out of the re-leasing of the Leased Property, or, if the Corporation is unable to re-lease the Leased Property, then for the full amount of all Lease Payments to the end of the Term of this Lease Agreement, but said Lease Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Lease Payments hereunder, notwithstanding such entry or re-entry by the Corporation or any suit in unlawful detainer, or otherwise, brought by the Corporation for the purpose of effecting such re-entry or obtaining possession of the Leased Property or the exercise of any

other remedy by the Corporation. The District hereby appoints the Corporation as the agent and attorney-in-fact of the District to enter upon and re-lease the Leased Property upon the occurrence and continuation of an Event of Default and to remove all personal property whatsoever situated upon the Leased Property, to place such property in storage or other suitable place in Orange County for the account of and at the expense of the District, and the District hereby exempts and agrees to hold harmless the Corporation from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Leased Property and the removal and storage of such property by the Corporation or its duly authorized agents in accordance with the provisions herein contained. The District agrees that the terms of this Lease Agreement constitute full and sufficient notice of the right of the Corporation to re-lease the Leased Property in the event of such re-entry without effecting a surrender of this Lease Agreement, and further agrees that no acts of the Corporation in effecting such re-leasing shall constitute a surrender or termination of this Lease Agreement irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the District the right to terminate this Lease Agreement shall vest in the Corporation to be effected in the sole and exclusive manner hereinafter provided for in subparagraph (b) hereof. The District agrees to surrender and quit possession of the Leased Property upon demand of the Corporation for the purpose of enabling the Leased Property to be re-let under this paragraph. Any rental obtained by the Corporation in excess of the sum of Lease Payments plus costs and expenses incurred by the Corporation for its services in re-leasing the Leased Property shall be paid to the District.

(b) *Termination of Lease.* If an Event of Default occurs and is continuing hereunder, the Corporation at its option may terminate this Lease Agreement and re-lease all or any portion of the Leased Property, subject to the Site Lease. If the Corporation terminates this Lease Agreement at its option and in the manner hereinafter provided due to a default by the District (and notwithstanding any re-entry upon the Leased Property by the Corporation in any manner whatsoever or the re-leasing of the Leased Property), the District nevertheless agrees to pay to the Corporation all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Lease Payments and Additional Payments. Any surplus received by the Corporation from such re-leasing shall be applied by the Corporation to Lease Payments due under this Lease Agreement. Neither notice to pay rent or to deliver up possession of the premises given under law nor any proceeding in unlawful detainer taken by the Corporation shall of itself operate to terminate this Lease Agreement, and no termination of this Lease Agreement on account of default by the District shall be or become effective by operation of law, or otherwise, unless and until the Corporation shall have given written notice to the District of the election on the part of the Corporation to terminate this Lease Agreement. The District covenants and agrees that no surrender of the Leased Property, or of the remainder of the Term hereof or any termination of this Lease Agreement shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Corporation by such written notice.

(c) *Proceedings at Law or In Equity.* If an Event of Default occurs and continues hereunder, the Corporation may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce any other of its rights hereunder.

(d) *Remedies under the Site Lease.* If an Event of Default occurs and continues hereunder, the Corporation may exercise its rights under the Site Lease.

Section 8.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Corporation is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such

right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Corporation to exercise any remedy reserved to it in this **Article VIII** it shall not be necessary to give any notice, other than such notice as may be required in this **Article VIII** or by law.

Section 8.4. Agreement to Pay Attorneys' Fees and Expenses. If any party to this Lease Agreement defaults under any of the provisions hereof and the non-defaulting party should employ attorneys (including in-house legal counsel) or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the non-defaulting party the reasonable fees of such attorneys (including allocable costs and expenses of in-house legal counsel, if any) and such other expenses so incurred by the non-defaulting party.

Section 8.5. No Additional Waiver Implied by One Waiver. If any agreement contained in this Lease Agreement is breached by either party and thereafter waived by the other party, such waiver is limited to the particular breach so waived and will not be deemed to waive any other breach hereunder.

Section 8.6. Lender to Exercise Rights. Such rights and remedies as are given to the Corporation under this **Article VIII** have been assigned by the Corporation to the Lender, to which assignment the District hereby consents. Such rights and remedies shall be exercised solely by the Lender.

ARTICLE IX PREPAYMENT OF LEASE PAYMENTS

Section 9.1. Optional Prepayment.

(a) The Lease Payments are subject to optional prepayment prior to maturity on any Lease Payment Date, in whole, but not in part, at a prepayment price equal to the Purchase Prices set forth in the Schedule of Lease Payments attached as **Exhibit B** hereto.

(b) In order to optionally prepay the Lease Payments in accordance with **Section 9.1(a)** above, the District shall, at least thirty (30) days prior to the date for prepayment, notify the Lender in writing of its intention to so prepay the Lease Payments.

Section 9.2. Mandatory Prepayment from Net Proceeds of Insurance or Eminent Domain. The District shall be obligated to prepay the unpaid principal components of the Lease Payments in whole or in part in such order of prepayment as shall be selected by the District on any date, together with any accrued and unpaid interest, a prepayment premium, if applicable, and any other costs related to such prepayment, from and to the extent of any proceeds of insurance award or condemnation award with respect to the Leased Property to be used for such purpose under **Section 6.2**. The District and the Corporation hereby agree that such proceeds, to the extent remaining after payment of any delinquent Lease Payments, shall be credited towards the District's obligations under this **Section 9.2** and applied as set forth in **Section 4.3(c)**.

Section 9.3. Security Deposit. Notwithstanding any other provision of this Lease Agreement, the District may on any date secure the payment of the Lease Payments in whole or in part by depositing with the Corporation or a fiduciary reasonably satisfactory to the Corporation, in trust, an amount of cash, which shall be held in a segregated trust or escrow fund under a trust or escrow agreement that is in form and content acceptable to the Corporation, which cash so held is either (a) sufficient to pay such Lease Payments, including the principal and interest components thereof, in accordance with the Lease Payment schedule set forth in **Exhibit B**, or (b) invested entirely in non-

callable Federal Securities maturing not later than the dates such funds will be required to make Lease Payments or any prepayment in an amount which is sufficient, in the opinion of an independent certified public accountant (which opinion must be in form and substance, and with such an accountant, acceptable to the Corporation and addressed and delivered to the Corporation), together with interest to accrue thereon and without reinvestment and together with any cash which is so deposited, to pay such Lease Payments when due under **Section 4.3(a)** or when due on any optional prepayment date under **Section 9.1**, as the District instructs at the time of said deposit; provided, however, that at or prior to the date on which any such security deposit is established, the District shall deliver to the Corporation an opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to the Corporation (in form and substance acceptable to the Corporation) to the effect that any such security deposit will not adversely affect the excludability of the interest component of Lease Payments from gross income of the Lender for federal income tax purposes. In the event of a security deposit under this Section with respect to all unpaid Lease Payments, (i) the Term of this Lease Agreement shall continue, (ii) all obligations of the District under this Lease Agreement, and all security provided by this Lease Agreement for said obligations, shall thereupon cease and terminate, excepting only (A) the obligation of the District to make, or cause to be made, all of the Lease Payments from such security deposit and, to the extent of any deficiency, as rent payable from other legally available funds of the District, and (B) the release and indemnification obligations of the District under **Section 7.3**, and (iii) under **Section 4.5**, the Corporation's leasehold interest in the Leased Property will vest in the District on the date of said deposit automatically and without further action by the District or the Corporation. The District hereby grants a first priority security interest in and the lien on said security deposit and all proceeds thereof in favor of the Corporation. Said security deposit shall be deemed to be and shall constitute a special fund for the payment of Lease Payments in accordance with the provisions of this Lease Agreement and, notwithstanding anything to the contrary herein, Lease Payments therefrom shall not be subject to abatement under **Section 6.3** to the extent payable from the funds held by the Corporation or the fiduciary as described in the first sentence of this **Section 9.3**.

ARTICLE X MISCELLANEOUS

Section 10.1. Notices. Any notice, request, complaint, demand or other communication under this Lease Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by facsimile transmission or other form of telecommunication. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, (b) 48 hours after deposit in the United States of America first class mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Corporation, the District and the Lender may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the District:	Buena Park Library District 7150 La Palma Avenue Buena Park, CA 90620 Attention: Library Director
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If to the Corporation:	Municipal Finance Corporation 2829 Townsgate Road, Suite 100 Westlake Village, CA 91361 Attention: President
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If to the Lender: EverBank, National Association
Mail Operations
301 West Bay Street, 8th Floor
Jacksonville, FL 32202
Attention: Director of Public Finance

Section 10.2. Binding Effect; Third Party Beneficiary. This Lease Agreement inures to the benefit of and is binding upon the Corporation, the District and their respective successors and assigns. The Lender is hereby made a third party beneficiary hereunder with all rights of a third party beneficiary.

Section 10.3. Severability. If any provision of this Lease Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

Section 10.4. Net-net-net Lease. This Lease Agreement is a “net-net-net lease” and the District hereby agrees that the Lease Payments are an absolute net return to the Corporation, free and clear of any expenses, charges or set-offs whatsoever.

Section 10.5. Further Assurances and Corrective Instruments. The Corporation and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Property hereby leased or intended so to be or for carrying out the expressed intention of this Lease Agreement.

Section 10.6. Waiver of Personal Liability. No member, officer, agent or employee of the District or the Corporation shall be individually or personally liable for the payment of Lease Payments; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 10.7. Execution in Counterparts. This Lease Agreement may be executed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

Section 10.8. Applicable Law. This Lease Agreement is governed by and construed in accordance with the laws of the State.

Section 10.9. Captions. The captions or headings in this Lease Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or section of this Lease Agreement.

Section 10.10. Waiver of Jury Trial; Agreement for Judicial Reference. To the fullest extent permitted by law, each of the District and the Corporation hereby waives its right to trial by jury in any action, proceeding and/or hearing on any matter whatsoever arising out of, or in any way connected with, this Lease Agreement or any related documents, or the enforcement of any remedy under any law, statute, or regulation.

To the extent the foregoing waiver of a jury trial is unenforceable under applicable California law, each of the District and the Corporation agrees to refer, for a complete and final adjudication, any and all issues of fact or law involved in any litigation or proceeding (including all discovery and law and motion matters, pretrial motions, trial matter and post-trial motions up to and including final judgment), brought to resolve any dispute (whether based on contract, tort or otherwise) between the parties hereto arising out of, in connection with or otherwise related or incidental to this Lease Agreement to a judicial

referee who shall be appointed under a general reference pursuant to California Code of Civil Procedure Section 638, which referee's decision will stand as the decision of the court. Such judgment will be entered on the referee's statement of judgment in the same manner as if the action had been tried by the court. The parties shall select a single neutral referee, who shall be a retired state or federal judge with at least five years of judicial experience in civil matters; provided that if the parties cannot agree upon a referee, the referee will be appointed by the court.

Section 10.11. Servicing; Appointment of Servicer. The Lender may engage a servicer, and collaterally assign some or all of its rights under this Lease Agreement, to act on behalf of the Lender under this Lease Agreement as the "Servicer". The Lender may at any time and from time to time terminate or remove and replace any such Servicer. The Lender shall give written notice to the District of its appointment, termination, removal or replacement of any Servicer, and the parties may rely on any such notice until any subsequent notice is given. The Lender is under no obligation to appoint a Servicer; if at any time a Servicer has not been designated by the Lender, any references to the "Servicer" herein shall refer to the Lender. Any opinion or certificate provided for herein that is directed to the Servicer shall also be directed to, and may be relied upon by, the Lender.

From and after the Closing Date, if the Lender has appointed a Servicer for the Lender under this Lease Agreement, the District acknowledges and agrees that the Servicer shall exercise all of the rights and remedies of the Lender under this Lease Agreement, shall receive all reports, statements, notices and other communications from the District on behalf of the Lender required to be delivered to the Lender under this Lease Agreement and shall be entitled to all of the protections afforded the Lender under this Lease Agreement.

The Lender shall be solely responsible for providing the funding for the Site Lease Payment under this Lease Agreement, and does not operate, control or have possession of the Project or the Leased Property. The Lender has no obligation with respect to the acquisition of the Project.

Section 10.12. OFAC Patriot Act Notice. The District shall (a) ensure that no person who owns a controlling interest in or otherwise controls the District is or shall be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by the Office of Foreign Assets Control ("OFAC"), the Department of the Treasury or included in any Executive Orders, that prohibits or limits the Lender from making any advance or extension of credit to the District or from otherwise conducting business with the District and (b) ensure that the proceeds resulting from this Lease Agreement shall not be used to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto. Further, the District shall comply with all applicable Bank Secrecy Act ("BSA") laws and regulations, as amended. The Lender hereby notifies the District that pursuant to the requirements of the Patriot Act it, or its agent, is required to obtain, verify and record information that identifies the District, which information includes the name and address of the District and other information that will allow the Lender to identify the District in accordance with the Patriot Act. The District hereby agrees that it shall promptly provide such information upon request by the Lender.

IN WITNESS WHEREOF, the Corporation and the District have caused this Lease Agreement to be executed in their respective names by their duly authorized officers, all as of the date first above written.

MUNICIPAL FINANCE CORPORATION

By: _____
Name: William A. Morton
Title: President

BUENA PARK LIBRARY DISTRICT

By: _____
Name: _____
Title: _____

[Signature Page to Lease Agreement]

EXHIBIT A

DESCRIPTION OF THE LEASED PROPERTY

The Leased Property consists of the land described below located at 7150 La Palma Avenue, Buena Park, California 90620, together with the building and improvements now or hereafter located thereon and all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto, described as follows:

[To Come.]

EXHIBIT B**SCHEDULE OF LEASE PAYMENTS**

Due Date	Lease Payment	Interest Component	Principal Component	Purchase Price ¹
04/13/2027	\$ 112,193.89	\$ 112,193.89	\$ 0.00	\$4,784,387.78
10/13/2027	112,193.89	112,193.89	0.00	4,784,387.78
04/13/2028	112,193.89	112,193.89	0.00	4,784,387.78
10/13/2028	291,465.90	112,193.89	179,272.01	4,605,115.77
04/13/2029	107,989.96	107,989.96	0.00	4,605,115.77
10/13/2029	295,669.83	107,989.96	187,679.87	4,417,435.90
04/13/2030	103,588.87	103,588.87	0.00	4,417,435.90
10/13/2030	300,070.93	103,588.87	196,482.06	4,220,953.84
04/13/2031	98,981.37	98,981.37	0.00	4,220,953.84
10/13/2031	304,678.43	98,981.37	205,697.06	4,015,256.78
04/13/2032	94,157.77	94,157.77	0.00	4,015,256.78
10/13/2032	309,502.03	94,157.77	215,344.26	3,799,912.52
04/13/2033	89,107.95	89,107.95	0.00	3,799,912.52
10/13/2033	314,551.85	89,107.95	225,443.90	3,574,468.62
04/13/2034	83,821.29	83,821.29	0.00	3,574,468.62
10/13/2034	319,838.51	83,821.29	236,017.22	3,338,451.40
04/13/2035	78,286.69	78,286.69	0.00	3,338,451.40
10/13/2035	325,373.12	78,286.69	247,086.43	3,091,364.97
04/13/2036	72,492.51	72,492.51	0.00	3,091,364.97
10/13/2036	331,167.29	72,492.51	258,674.78	2,832,690.19
04/13/2037	66,426.58	66,426.58	0.00	2,832,690.19
10/13/2037	294,917.52	66,426.58	228,490.94	2,604,199.25
04/13/2038	61,068.47	61,068.47	0.00	2,604,199.25
10/13/2038	300,275.63	61,068.47	239,207.16	2,364,992.09
04/13/2039	55,459.06	55,459.06	0.00	2,364,992.09
10/13/2039	305,885.04	55,459.06	250,425.98	2,114,566.11
04/13/2040	49,586.58	49,586.58	0.00	2,114,566.11
10/13/2040	311,757.54	49,586.58	262,170.96	1,852,395.15
04/13/2041	43,438.67	43,438.67	0.00	1,852,395.15
10/13/2041	317,905.44	43,438.67	274,466.77	1,577,928.38
04/13/2042	37,002.42	37,002.42	0.00	1,577,928.38
10/13/2042	324,341.68	37,002.42	287,339.26	1,290,589.12
04/13/2043	30,264.31	30,264.31	0.00	1,290,589.12
10/13/2043	331,079.79	30,264.31	300,815.48	989,773.64
04/13/2044	23,210.19	23,210.19	0.00	989,773.64
10/13/2044	338,133.91	23,210.19	314,923.72	674,849.92
04/13/2045	15,825.23	15,825.23		674,849.92
10/13/2045	345,518.87	15,825.23	329,693.64	345,156.28
04/13/2046	8,093.91	8,093.91	0.00	345,156.28
10/13/2046	<u>353,250.19</u>	<u>8,093.91</u>	<u>345,156.28</u>	0.00
Totals	<u>\$7,470,767.00</u>	<u>\$2,686,379.22</u>	<u>\$4,784,387.78</u>	

¹ The District's option to purchase is subject to provisions of Section 9.1 of the Lease Agreement. The Purchase Price is 103% of the outstanding principal component hereof from October 13, 2026 through and including October 13, 2028; 102% of the outstanding principal component hereof from April 13, 2029 through and including October 13, 2030; 101% of the outstanding principal component hereof from April 13, 2031 through and including October 13, 2032; and 100% of the outstanding principal component hereof from April 13, 2033 and any Lease Payment Date thereafter.

FEDERAL TAX AGREEMENT

This FEDERAL TAX AGREEMENT (the “Tax Agreement”) is executed as of October 13, 2026, by the Buena Park Library District, a library district and political subdivision duly organized and existing under the laws of the State of California (the “District”), for the benefit of EverBank, National Association, as lender (the “Lender”), and any firm of attorneys rendering an opinion on the exclusion from gross income for federal income tax purposes of the interest portion of lease payments payable under the Lease Agreement (defined below).

RECITALS

1. This Tax Agreement is being executed and delivered in connection with that certain Lease Agreement dated as of October 13, 2026, in the principal amount of \$4,784,387.78 (the “Lease Agreement”), entered into between the District, as lessee, and Municipal Finance Corporation, a California corporation, as lessor (the “Corporation”).

2. The Internal Revenue Code of 1986, as amended (the “Code”), and the applicable Regulations and rulings issued by the U.S. Treasury Department (the “Regulations”), impose certain limitations on the uses and investment of proceeds of the Lease Agreement and of certain other money relating to the Lease Agreement and set forth the conditions under which the interest component of lease payments payable under the Lease Agreement will be excluded from gross income for federal income tax purposes.

3. The District is executing this Tax Agreement in order to set forth certain facts, covenants, representations, and expectations relating to the use and investment of proceeds of the Lease Agreement and the property financed with those proceeds and of certain other related money, in order to establish and maintain the exclusion from gross income for federal income tax purposes of the interest component of lease payments payable under the Lease Agreement and to provide guidance for complying with the arbitrage rebate provisions of Code § 148(f).

4. This Tax Agreement is being entered into for the purpose of setting forth general procedures for the District to continuously monitor and comply with the federal income tax requirements set forth in the Code and the Regulations.

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, covenants and agreements set forth in this Tax Agreement, the District represents, covenants and agrees as follows:

Section 1. Definitions of Words and Terms. Except as otherwise provided in this Tax Agreement or unless the context otherwise requires, capitalized words and terms used in this Tax Agreement have the same meanings as set forth in the Lease Agreement, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. The following words and terms used in this Tax Agreement have the following meanings:

“**Adjusted Gross Proceeds**” means the Gross Proceeds of the Lease Agreement reduced by amounts (a) in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund, (b) that as of the Closing Date are not expected to be Gross Proceeds, but which arise after the end of the applicable spending period, and (c) representing grant repayments or sale or Investment proceeds of any purpose Investment.

“Annual Compliance Checklist” means a checklist for the Project, designed to measure compliance with the requirements of this Tax Agreement after the Closing Date substantially in the form attached as **Exhibit D**.

“Available Construction Proceeds” means the sale proceeds of the Lease Agreement, increased by (a) Investment earnings on the sale proceeds, (b) earnings on amounts in a reasonably required reserve or replacement fund allocable to the Lease Agreement but not funded from the Lease Agreement, and (c) earnings on such earnings, reduced by sale proceeds (1) in any reasonably required reserve fund or (2) used to pay issuance costs of the Lease Agreement. But Available Construction Proceeds do not include Investment earnings on amounts in a reasonably required reserve or replacement fund after the earlier of (i) the second anniversary of the Closing Date or (ii) the date the Financed Property is substantially completed.

“Bona Fide Debt Service Fund” means a fund, which may include sale proceeds of the Lease Agreement, that (a) is used primarily to achieve a proper matching of revenues with principal and interest payments within each Lease Year; and (b) is depleted at least once each Lease Year, except for a reasonable carryover amount not to exceed the greater of (1) the earnings on the fund for the immediately preceding Lease Year, or (2) one-twelfth of the lease payments on the Lease Agreement for the immediately preceding Lease Year.

“Closing Date” means October 13, 2026.

“Code” means the Internal Revenue Code of 1986.

“Compliance Officer” means the District’s Library Director or, if the position of Library Director is vacant, the person filling the responsibilities of the Library Director for the District.

“Computation Date” means each date on which arbitrage rebate and yield reduction amounts for the Lease Agreement are computed. The District may treat any date as a Computation Date, subject to the following limits:

- (a) the first rebate installment payment must be made for a Computation Date not later than 5 years after the Closing Date;
- (b) each subsequent rebate installment payment must be made for a Computation Date not later than 5 years after the previous Computation Date for which a lease payment was made; and
- (c) the date the Lease Agreement is paid in full is the final Computation Date.

The District selects October 1, 2031, as the first Computation Date but reserves the right to select a different date consistent with the Regulations.

“Final Written Allocation” means the written allocation of expenditures of proceeds of the Lease Agreement prepared by the Compliance Officer under **Section 4** of this Tax Agreement, a sample form of which is attached hereto as **Exhibit G**.

“Financed Property” means the portion of the Project financed with proceeds of the Lease Agreement as described on **Exhibit C**.

“Gross Proceeds” means (i) sale proceeds; (ii) Investment proceeds derived from the investment of sale proceeds; (iii) amounts held in a sinking fund for the Lease Agreement; (iv) amounts held in a pledged fund or reserve fund for the Lease Agreement; and (v) any replacement proceeds. Specifically, Gross Proceeds include, but are not limited to, all amounts held in the Project Fund.

“Guaranteed Investment Contract” is any investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract).

“Investment” means any security, obligation, annuity contract or other investment-type property which is purchased directly with, or otherwise allocated to, Gross Proceeds. This term does not include obligations the interest on which is excluded from federal gross income, except for “specified private activity bonds” as defined in Code § 57(a)(5)(C).

“IRS” means the Internal Revenue Service.

“Lease Agreement” means the Lease Agreement dated as of October 13, 2026, between the District, as lessee, and the Corporation, as lessor, as amended from time to time.

“Lease Year” means each one-year period ending on each annual anniversary of the Closing Date.

“Lender” means EverBank, National Association, as assignee of the Corporation, with respect to the Lease Agreement, and its successors and assigns.

“Management or Service Agreement” means a legal agreement defined in Regulations § 1.141-3(b) as a management, service, or incentive payment contract with an entity that provides services involving all or a portion of any function of the Project, such as a contract to manage the Project or a portion thereof. However, contracts for services that are solely incidental to the primary governmental function of the Project (for example, contracts for janitorial, office equipment repair, billing or similar services) are not treated as Management or Service Agreements.

“Measurement Period” means, with respect to the Financed Property, the period beginning on the later of (i) the Closing Date or (ii) the date the property is placed in service and ending on the earlier of (A) the final maturity date of the Lease Agreement or (B) the end of the expected economic useful life of the Project.

“Minor Portion” means the lesser of \$100,000 or 5% of the sale proceeds of the Lease Agreement.

“Non-Qualified Use” generally means any use of the Project in a trade or business carried on by any Non-Qualified User that is different in form or substance from the use made of the Project by any other member of the general public. Generally, ownership, a lease, or any other use that provides a Non-Qualified User a special legal right or entitlement to use the Project will constitute Non-Qualified Use.

“Non-Qualified User” means any person or entity other than a Qualified User.

“Official Intent Date” means October 6, 2026.

“Opinion of Special Tax Counsel” means the written opinion of Special Tax Counsel addressed to the Corporation and the Lender to the effect that the proposed action or the failure to act will not adversely affect the exclusion of the interest component of lease payments on the Lease Agreement from gross income for federal income tax purposes or an opinion describing additions, modifications or additional procedures

required to preserve the interest component of lease payments on the Lease Agreement from gross income for federal income tax purposes.

“Post-Issuance Tax Requirements” means those requirements related to the use of proceeds of the Lease Agreement, the use of the Project and the investment of Gross Proceeds after the Closing Date.

“Project” means the renovations to be acquired, constructed and installed at the District’s library facility that are financed with proceeds of the Lease Agreement and any other moneys provided by the District, as described on **Exhibit C**.

“Project Fund” means the project fund established by the District pursuant to the Lease Agreement.

“Qualified Equity” means funds that are not derived from proceeds of a tax-exempt financing that are spent on the Project at any time during the period beginning not earlier than the later of (a) 60 days prior to the Official Intent Date or (b) three years prior to the Closing Date, and ending not later than the date the Project is capable of and actually used at substantially its designed level. Qualified Equity excludes an ownership interest in real property or tangible personal property.

“Qualified User” means a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

“Reasonable Retainage” means Gross Proceeds retained by the District for reasonable business purposes, such as to ensure or promote compliance with a construction contract; provided that such amount may not exceed (a) for purposes of the 18-month spending test, 5% of net sale proceeds of the Lease Agreement on the date 18 months after the Closing Date, or (b) for purposes of the 2-year spending test, 5% of the Available Construction Proceeds as of the end of the 2-year spending period.

“Rebate Analyst” means a firm of nationally recognized bond counsel or a firm of independent certified public accountants, which firm has expressly agreed to undertake the responsibilities assigned to the Rebate Analyst hereunder.

“Regulations” means United States Treasury Regulations governing obligations the interest on which is excluded from gross income for federal income tax purposes under Code §§ 103 and 141-150.

“Special Tax Counsel” means Gilmore & Bell, P.C., Kansas City, Missouri, acting as Lender’s counsel, or other nationally recognized firm of bond counsel acceptable to the District and the Lender.

“State” means the State of California.

“Tax Compliance File” means documents and records for the Lease Agreement maintained by the Compliance Officer pursuant to this Tax Agreement.

“Yield” means the yield on the Lease Agreement, computed under Regulations § 1.148-4, and Yield on an Investment, computed under Regulations § 1.148-5.

Section 2. Organization and Authority; General Representations.

(a) *Organization and District.* The District (1) is a library district and political subdivision duly organized and existing under the laws of the State of California, (2) has lawful power and authority to enter into, execute and deliver the Lease Agreement for the purposes set forth therein and all related documents, including this Tax Agreement, and to carry out its obligations thereunder, and (3) by all necessary action has been duly authorized to execute and deliver the Lease Agreement and all related documents, including this Tax Agreement, acting by and through its duly authorized officials.

(b) *Tax-Exempt Status of Lease Agreement—General Representation and Covenants.* In order to maintain the exclusion of the interest portion of lease payments payable under the Lease Agreement from gross income for federal income tax purposes, the District (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code, (2) will not use or invest, or permit the use or investment of, any proceeds of the Lease Agreement or other funds in a manner that would violate applicable provisions of the Code, and (3) will not use, or permit the use of, any portion of the Financed Property in a manner that would cause any portion of the Lease Agreement to become a “private activity bond” as defined in Code § 141.

Section 3. Purpose of Lease Agreement and Use of Gross Proceeds. On the Closing Date, the sale proceeds of the Lease Agreement in the amount of \$4,784,387.78 will be disbursed by the Lender as follows:

(a) \$4,500,000 will be wired to the District for deposit in the Project Fund and used to pay costs of the Project. Other funds contributed by the District in the amount of approximately \$8,000,000 are expected to be used to pay additional costs of the Project.

(b) \$224,387.78 will be wired to the District for deposit in the Project Fund and used to pay capitalized interest during the construction period of the Project.

(c) \$60,000.00 will be wired to the Corporation and used to pay certain costs of issuance in connection with the execution and delivery of the Lease Agreement.

Section 4. Accounting for Gross Proceeds. The District will account for the sale proceeds of the Lease Agreement as follows: All sale proceeds will be used to pay costs of the Project, including payment of capitalized interest during the construction period for the Project, and related costs of executing and delivering the Lease Agreement as described in **Section 3** of this Tax Agreement. The District shall maintain in the Tax Compliance File (1) copies of all requisitions and expenditure records relating to the Project, together with supporting invoices and other attachments, and (2) all balance and transaction statements relating to the Project Fund. The expected allocation of proceeds of the Lease Agreement to expenditures relating to the Project is set forth on **Exhibit C**. Not later than 18 months after (1) completion of the Project, or (2) the date the Project is placed in service, and no later than 60 days following the fifth anniversary of the Closing Date, the District will prepare, or cause to be prepared, a final written allocation, a sample form of which is attached hereto as **Exhibit G**, for inclusion in the Tax Compliance File. With respect to use of the Financed Property portion of the Project, any Non-Qualified Use shall first be allocated entirely to the portion of the Project financed with Qualified Equity.

Section 5. Completion of the Project. The District has incurred, or will incur within 6 months after the Closing Date, substantial binding obligations to third parties to spend at least 5% of the proceeds of the Lease Agreement on the Project. The acquisition, construction, equipping and installation of the Project and the allocation of the proceeds of the Lease Agreement to expenditures will proceed with due

diligence. At least 85% of the proceeds of the Lease Agreement will be allocated to expenditures for the Project within 3 years after the Closing Date.

Section 6. Funds or Accounts. The Project Fund has been established by the District to hold proceeds of the Lease Agreement. No other funds or accounts have been established to hold sale proceeds of the Lease Agreement, and no other funds or accounts of the District have been or will be established that will contain other money that will be used to make lease payments under the Lease Agreement.

Section 7. Issue Price and Yield.

(a) *Lender Certificate – Issue Price.* The Lender has represented in the Lender Certificate Regarding Issue Price dated as of the Closing Date and attached hereto as **Exhibit F** that it is acquiring the Lease Agreement from the Corporation for the amount of \$4,784,387.78 (the “Issue Price”), and that it intends to hold the Lease Agreement for its own account with no present intent to sell, assign or transfer the Lease Agreement.

(b) *Lease Yield.* Based on the Issue Price, Special Tax Counsel has determined that the Yield on the Lease Agreement is 4.69%. The amortization schedule and calculation of Yield on the Lease Agreement are attached to this Tax Agreement as **Exhibit A**. The District has not entered into an interest rate swap agreement with respect to any portion of the Lease Agreement.

Section 8. Rebate and Yield Restriction.

(a) *Yield Restriction.* The following Yield restriction requirements will apply to the Gross Proceeds of the Lease Agreement. Except as described below, the District will not invest Gross Proceeds at a Yield greater than the Yield on the Lease Agreement:

(1) *Project Fund.* Proceeds of the Lease Agreement deposited in the Project Fund and used to pay costs of the Project, together with Investment earnings on those proceeds may be invested without Yield restriction for up to 3 years following the Closing Date. If any unspent proceeds remain in the Project Fund after 3 years, those amounts may continue to be invested without Yield restriction so long as the District pays to the IRS all Yield reduction payments in accordance with Regulations § 1.148-5(c). These payments are required whether or not the Lease Agreement is exempt from the arbitrage rebate and Yield reduction amounts requirements of Code § 148.

(2) *Money Set Aside to Make Lease Payments under the Lease Agreement.* To the extent the District sets aside or earmarks money on deposit in any fund or account to pay lease payments on the Lease Agreement (the “Debt Service Fund”), such funds or accounts may be invested without Yield restriction for 13 months after the date of deposit or earmarking. Earnings on such amounts may be invested without Yield restriction for one year after the date of receipt of such earnings.

(3) *Minor Portion.* In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

(b) *Rebate and Yield Restriction Requirement.*

(1) *General.* A portion of the Gross Proceeds of the Lease Agreement may be exempt from rebate pursuant to one or more of the following exceptions. The exceptions typically will not

apply with respect to all Gross Proceeds of the Lease Agreement and will not otherwise affect the application of the Investment limitations described in **Section 8(a)**. Unless specifically noted, the obligation to compute, and if necessary, to pay rebate as set forth in **Sections 8(b)(3) and 8(b)(4)** applies even if a portion of the Gross Proceeds of the Lease Agreement is exempt from the rebate requirement. To the extent all or a portion of the Lease Agreement is exempt from rebate the Rebate Analyst may account for such fact in connection with its preparation of a rebate report described in **Section 8(c)**. The District may defer the final rebate Computation Date and the payment of rebate for the Lease Agreement to the extent permitted by Regulations §§ 1.148-7(b)(1) and 1.148-3(e)(2) but only in accordance with specific written instructions provided by the Rebate Analyst.

(2) *Applicable Spending Exceptions.*

(A) The District expects that at least 75% of the Available Construction Proceeds will be used for construction or rehabilitation expenditures for property owned by the District.

(B) The following optional rebate spending exceptions can apply to the Lease Agreement:

- 6-month spending exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c)).
- 18-month spending exception (Regulations § 1.148-7(d)).
- 2-year spending exception (Code § 148(f)(4)(C) and Regulations § 1.148-7(e)).

(C) *Special Elections Made with Respect to Spending Exception Elections.* No special elections are being made in connection with the application of the spending exceptions.

(D) *Bona Fide Debt Service Fund.* To the extent that the District establishes a Debt Service Fund that qualifies as a Bona Fide Debt Service Fund, Investment earnings in the fund cannot be taken into account in computing arbitrage rebate and yield reduction amounts (1) with respect to such portion that meets the 6-month, 18-month or 2-year spending exception, or (2) for a given Lease Year, if the gross earnings thereon for such Lease Year are less than \$100,000. If the average annual debt service on the Lease Agreement does not exceed \$2,500,000, the \$100,000 earnings test may be treated as satisfied in every Lease Year.

(E) *Documenting Application of Spending Exception.* At any time prior to the first Computation Date, the District may engage the Rebate Analyst to determine whether one or more spending exceptions have been satisfied, and the extent to which the District must continue to comply with the provisions of this Tax Agreement.

(F) *General Requirements for Spending Exception.* The following general requirements apply in determining whether a spending exception is met.

- (i) Using Adjusted Gross Proceeds or Available Construction Proceeds to pay principal of the Lease Agreement is not taken into account as an expenditure for purposes of meeting any of the spending tests.

(ii) The 6-month spending exception generally is met if all Adjusted Gross Proceeds of the Lease Agreement are spent within 6 months following the Closing Date. The test may still be satisfied even if up to 5% of the sale proceeds remain at the end of the initial 6-month period, so long as this amount is spent within 1 year of the Closing Date.

(iii) The 18-month spending exception generally is met if all Adjusted Gross Proceeds of the Lease Agreement are spent in accordance with the following schedule:

Time Period After the Closing Date	Minimum Percentage of Adjusted Gross Proceeds Spent
6 months	15%
12 months	60%
18 months (Final)	100%

(iv) The 2-year spending exception generally is met if all Available Construction Proceeds are spent in accordance with the following schedule:

Time Period After the Closing Date	Minimum Percentage of Available Construction Proceeds Spent
6 months	10%
12 months	45%
18 months	75%
24 months (Final)	100%

(v) For purposes of applying the 18-month and 2-year spending exceptions only, the failure to satisfy the **final** spending requirement is disregarded if the District uses due diligence to complete the Financed Property and the failure does not exceed the lesser of 3% of the aggregate issue price the Lease Agreement or \$250,000. **No such exception applies for any other spending period.**

(vi) For purposes of applying the 18-month and 2-year spending exceptions only, the Lease Agreement meets the applicable spending test even if, at the end of the **final** spending period, proceeds not exceeding a Reasonable Retainage remain unspent, so long as such Reasonable Retainage is spent within 30 months after the Closing Date in the case of the 18-month exception or 3 years after the Closing Date in the case of the 2-year spending exception.

(3) *Computation of Rebate Amount.* The District will provide the Rebate Analyst Investment reports relating to each fund held by it that contains Gross Proceeds of the Lease Agreement together with copies of Investment reports for any funds containing Gross Proceeds that are held by a party other than the District annually as of the end of each Lease Agreement Year and not later than 10 days following each Computation Date. Each Investment report provided to the Rebate Analyst will contain a record of each Investment, including (1) purchase date, (2) purchase

price, (3) information establishing the fair market value on the date such Investment was allocated to the Lease Agreement, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) frequency of interest payments, (8) disposition price, (9) any accrued interest received, and (10) disposition date. Such records may be supplied in electronic form. The Rebate Analyst will compute rebate following each Computation Date and deliver a written report to the District together with an opinion or certificate of the Rebate Analyst stating that arbitrage rebate and yield reduction amounts were determined in accordance with the Regulations. Each report and opinion will be provided not later than 45 days following the Computation Date to which it relates. In performing its duties, the Rebate Analyst may rely, in its discretion, on the correctness of financial analysis reports prepared by other professionals.

(4) *Rebate Payments.* Within 60 days after each Computation Date, the District will pay to the United States the rebate and yield reduction amount then due, determined in accordance with the Regulations. Each payment must be (1) accompanied by IRS Form 8038-T and such other forms, documents or certificates as may be required by the Regulations, and (2) mailed or delivered to the IRS at the address shown below, or to such other location as the IRS may direct:

Internal Revenue Service Center
Ogden, UT 84201

(5) *Successor Rebate Analyst.* If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, or if the District desires that a different firm act as the Rebate Analyst, then the District by an instrument or concurrent instruments in writing delivered to the firm then serving as the Rebate Analyst and any other party to this Tax Agreement, will name a successor Rebate Analyst. In each case the successor Rebate Analyst must be a firm of nationally recognized bond counsel or a firm of independent certified public accountants and such firm must expressly agree to undertake the responsibilities assigned to the Rebate Analyst hereunder.

(6) *Filing Requirements.* The District will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with advice of Special Tax Counsel.

(7) *Survival after Defeasance.* Notwithstanding anything in the Lease Agreement to the contrary, the obligation to pay arbitrage rebate and yield reduction amounts to the United States will survive the payment or defeasance of the Lease Agreement.

Section 9. Use of Project.

(a) *General.* For federal income tax purposes, the Project will be owned by the District throughout the Measurement Period. No portion of the Project is expected to be used in a Non-Qualified Use during the Measurement Period. During each annual period throughout the Measurement Period, unless the District obtains favorable advice of Special Tax Counsel, the District will not enter into or permit any user of the Financed Property to enter into, any agreement providing a Non-Qualified User special rights to use more than 10% of the Financed Property.

(b) *Leases and Other Use Agreements.* As of the Closing Date, the District does not have and is not aware of any lease or other use agreement with Non-Qualified Users that relate to the use or operation of the Project. During each annual period throughout the Measurement Period, the District will not enter into and will not permit any user of the Financed Property to enter into, any agreement with any Non-

Qualified User with respect to more than 10% of the Financed Property without first obtaining favorable advice of Special Tax Counsel.

(c) *Management and Service Agreements.* As of the Closing Date, the District does not have and is not aware of any Management or Service Agreements with Non-Qualified Users that relate to the use or operation of the Project. During each annual period throughout the Measurement Period, the District will not enter into and will not permit any user of the Financed Property to enter into, or renew any Management or Service Agreement with any Non-Qualified Users with respect to more than 10% of the Financed Property without first obtaining favorable advice of Special Tax Counsel.

(d) *Practices and Procedures for Accounting for and Monitoring of Agreement Proceeds.* The District agrees to implement the practices and procedures (the “Written Procedures”) set forth in **Exhibit E** in order to assure that the proceeds of the Lease Agreement are used in such a manner so as not to violate the provisions of the Code, under which interest on the Lease Agreement is excluded from federal income taxation, and to take remedial actions in the event of a violation. These Written Procedures generally account for and monitor (i) the expenditure and investment of proceeds of the Lease Agreement, (ii) the use of the Financed Property, and (iii) any changes in the underlying structure of the Lease Agreement financing. The District acknowledges that the Written Procedures in **Exhibit E** are not exclusive and covenants to comply with (1) all tax limitations and requirements imposed with respect to the Lease Agreement and (2) all State and local legal requirements regarding the valid incurrence of debt and permitted uses of the proceeds of the Lease Agreement. Unless otherwise set forth in the Written Procedures or subsequently changed by the District, the Compliance Officer of the District will undertake post-issuance compliance relating to the Lease Agreement. Notwithstanding the foregoing, failure to perform any task set forth in the Written Procedures will not constitute an event of default under the Lease Agreement.

(e) *Compliance Officer.* When necessary to fulfill the Post-Issuance Tax Requirements, the District will, through the Compliance Officer, sign Form 8038-T in connection with the payment of arbitrage rebate or Yield reduction payments, participate in any federal income tax audit of the Lease Agreement or related proceedings under a voluntary compliance agreement procedures (VCAP) or undertake a remedial action procedure pursuant to Regulations § 1.141-12.

(f) *Annual Compliance Checklists.* Attached as **Exhibit D** is a form of Annual Compliance Checklist for the Project. The Compliance Officer will prepare and work with appropriate officials of the District to complete Annual Compliance Checklists for the Project at least annually. If an Annual Compliance Checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Compliance Officer will obtain advice of Special Tax Counsel and take actions to correct any deficiency.

Section 10. Record Keeping. The Compliance Officer will maintain, or cause to be maintained, the Tax Compliance File for the Lease Agreement in accordance with this Tax Agreement. Unless otherwise specifically instructed in advice or a written Opinion of Special Tax Counsel or to the extent otherwise provided in this Tax Agreement, the Compliance Officer shall retain, or cause to be retained, records related to the Post-Issuance Tax Requirements until 3 years following the final maturity of (i) the Lease Agreement or (ii) any obligation issued to refund the Lease Agreement. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (1) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (2) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (3) exhibit a high degree of legibility and readability both electronically and in hardcopy, (4) provide support for other books and records of the

District, and (5) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the District's premises.

Section 11. Miscellaneous

(a) *Reimbursement of Expenditures; Official Intent.* On the Official Intent Date, the governing body of the District adopted a resolution declaring the intent of the District to finance the Project with proceeds of a tax-exempt obligation and to reimburse the District for expenditures made (if any) therefor prior to the issuance of such tax-exempt obligation. \$-0- from proceeds of the Lease Agreement will be allocated to expenditures paid by the District prior to the Closing Date and should be shown on line 45 of Form 8038-G. Except for expenditures meeting the requirements of Regulations § 1.150-2(f), no portion of the proceeds of the Lease Agreement will be used to reimburse an expenditure paid by the District more than 60 days prior to the date the resolution was adopted. The District will evidence each allocation of the proceeds of the Lease Agreement to an expenditure in writing. No reimbursement allocation will be made for an expenditure made more than 3 years before the date of the reimbursement allocation. In addition, no reimbursement allocation will be made more than 18 months following the later of (1) the date of the expenditure or (2) the date the Project is placed in service.

(b) *Form 8038-G.* A copy of the completed and fully executed IRS Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) is attached to this Tax Agreement as **Exhibit B**. The Form 8038-G was prepared by Special Tax Counsel based on representations and covenants by the District, the Corporation and the Lender contained in this Tax Agreement or otherwise made by the District, the Corporation and the Lender. The information contained on Form 8038-G is true, complete and correct to the knowledge of the undersigned and the undersigned is authorized to sign the Form 8038-G on behalf of the District and deliver it to Special Tax Counsel for filing with the IRS.

(c) *Single Issue; No Other Issues.* The Lease Agreement constitutes a single "issue" under Regulations § 1.150-1(c). No other debt obligations of the District (1) are being sold within 15 days of the sale of the Lease Agreement, (2) are being sold under the same plan of financing as the Lease Agreement, and (3) are expected to be paid from substantially the same source of funds as the Lease Agreement (disregarding guarantees from unrelated parties, such as bond insurance).

(d) *Bank Qualified Tax-Exempt Obligation.* The District has designated the Lease Agreement as a "qualified tax-exempt obligation" under Code § 265(b)(3), and with respect to this designation certifies as follows:

(1) The District reasonably anticipates that the amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) that will be issued by or on behalf of the District (and all subordinate entities of the District) during the calendar year that the Lease Agreement is executed and delivered, including the Lease Agreement, will not exceed \$10,000,000; and

(2) The District (including all subordinate entities of the District) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during the calendar year that the Lease Agreement is executed and delivered, including the Lease Agreement, in an aggregate principal amount or aggregate issue price in excess of \$10,000,000, without first obtaining an Opinion of Special Tax Counsel that the designation of the Lease Agreement as a "qualified tax-exempt obligation" will not be adversely affected.

(e) *No Federal Guaranty.* The District will not permit the payment of lease payments under the Lease Agreement to be guaranteed by the United States of America or any agency thereof.

(f) *Registration Requirement; Record Owner.* The District will maintain or cause to be maintained a record of the owner(s) of the Lease Agreement and the person/entity entitled to the receipt of the interest components of lease payments on the Lease Agreement. Transfer of ownership of the Lease Agreement is effective only if entered in these records. The Agreement will be held in registered form within the meaning of Code § 149(a).

(g) *Reliance.* The District understands that its certifications will be relied upon by Special Tax Counsel in rendering its opinion as to the exclusion from federal gross income of the interest component of lease payments payable by the District under the Lease Agreement.

(h) *Enforceability.* If any provision in this Tax Agreement or in the Lease Agreement is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

(i) *Electronic Transactions.* The transaction described in this Tax Agreement may be conducted, and related documents may be sent, received and stored by electronic means.

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned, by execution of this Tax Agreement, hereby makes the foregoing certifications, representations, and agreements contained in this Tax Agreement on behalf of the District.

BUENA PARK LIBRARY DISTRICT

By: _____
Name: _____
Title: _____

EXHIBIT A

LEASE AMORTIZATION SCHEDULE AND CALCULATION OF YIELD AND WEIGHTED AVERAGE MATURITY OF THE LEASE AGREEMENT

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Lease Balance	Total Lease Value
10/13/2026						4,784,387.78	4,784,387.78
04/13/2027			112,193.89	112,193.89		4,784,387.78	4,784,387.78
10/13/2027			112,193.89	112,193.89	224,387.78	4,784,387.78	4,784,387.78
04/13/2028			112,193.89	112,193.89		4,784,387.78	4,784,387.78
10/13/2028	179,272.01	4.690%	112,193.89	291,465.90	403,659.79	4,605,115.77	4,605,115.77
04/13/2029			107,989.96	107,989.96		4,605,115.77	4,605,115.77
10/13/2029	187,679.87	4.690%	107,989.96	295,669.83	403,659.79	4,417,435.90	4,417,435.90
04/13/2030			103,588.87	103,588.87		4,417,435.90	4,417,435.90
10/13/2030	196,482.06	4.690%	103,588.87	300,070.93	403,659.80	4,220,953.84	4,220,953.84
04/13/2031			98,981.37	98,981.37		4,220,953.84	4,220,953.84
10/13/2031	205,697.06	4.690%	98,981.37	304,678.43	403,659.80	4,015,256.78	4,015,256.78
04/13/2032			94,157.77	94,157.77		4,015,256.78	4,015,256.78
10/13/2032	215,344.26	4.690%	94,157.77	309,502.03	403,659.80	3,799,912.52	3,799,912.52
04/13/2033			89,107.95	89,107.95		3,799,912.52	3,799,912.52
10/13/2033	225,443.90	4.690%	89,107.95	314,551.85	403,659.80	3,574,468.62	3,574,468.62
04/13/2034			83,821.29	83,821.29		3,574,468.62	3,574,468.62
10/13/2034	236,017.22	4.690%	83,821.29	319,838.51	403,659.80	3,338,451.40	3,338,451.40
04/13/2035			78,286.69	78,286.69		3,338,451.40	3,338,451.40
10/13/2035	247,086.43	4.690%	78,286.69	325,373.12	403,659.81	3,091,364.97	3,091,364.97
04/13/2036			72,492.51	72,492.51		3,091,364.97	3,091,364.97
10/13/2036	258,674.78	4.690%	72,492.51	331,167.29	403,659.80	2,832,690.19	2,832,690.19
04/13/2037			66,426.58	66,426.58		2,832,690.19	2,832,690.19
10/13/2037	228,490.94	4.690%	66,426.58	294,917.52	361,344.10	2,604,199.25	2,604,199.25
04/13/2038			61,068.47	61,068.47		2,604,199.25	2,604,199.25
10/13/2038	239,207.16	4.690%	61,068.47	300,275.63	361,344.10	2,364,992.09	2,364,992.09
04/13/2039			55,459.06	55,459.06		2,364,992.09	2,364,992.09
10/13/2039	250,425.98	4.690%	55,459.06	305,885.04	361,344.10	2,114,566.11	2,114,566.11
04/13/2040			49,586.58	49,586.58		2,114,566.11	2,114,566.11
10/13/2040	262,170.96	4.690%	49,586.58	311,757.54	361,344.12	1,852,395.15	1,852,395.15
04/13/2041			43,438.67	43,438.67		1,852,395.15	1,852,395.15
10/13/2041	274,466.77	4.690%	43,438.67	317,905.44	361,344.11	1,577,928.38	1,577,928.38
04/13/2042			37,002.42	37,002.42		1,577,928.38	1,577,928.38
10/13/2042	287,339.26	4.690%	37,002.42	324,341.68	361,344.10	1,290,589.12	1,290,589.12
04/13/2043			30,264.31	30,264.31		1,290,589.12	1,290,589.12
10/13/2043	300,815.48	4.690%	30,264.31	331,079.79	361,344.10	989,773.64	989,773.64
04/13/2044			23,210.19	23,210.19		989,773.64	989,773.64
10/13/2044	314,923.72	4.690%	23,210.19	338,133.91	361,344.10	674,849.92	674,849.92
04/13/2045			15,825.23	15,825.23		674,849.92	674,849.92
10/13/2045	329,693.64	4.690%	15,825.23	345,518.87	361,344.10	345,156.28	345,156.28
04/13/2046			8,093.91	8,093.91		345,156.28	345,156.28
10/13/2046	345,156.28	4.690%	8,093.91	353,250.19	361,344.10		
	4,784,387.78		2,686,379.22	7,470,767.00	7,470,767.00		

PROOF OF ARBITRAGE YIELD

Buena Park Library District
Lease Agreement dated as of October 13, 2026
between Buena Park Library District, as lessee, and EverBank, National Association, as lessor

Date	Debt Service	PV Factor	Present Value to 10/13/2026 @ 4.6899999336%
04/13/2027	112,193.89	0.977087303	109,623.23
10/13/2027	112,193.89	0.954699598	107,111.46
04/13/2028	112,193.89	0.932824855	104,657.25
10/13/2028	291,465.90	0.911451322	265,656.98
04/13/2029	107,989.96	0.890567514	96,172.35
10/13/2029	295,669.83	0.870162211	257,280.71
04/13/2030	103,588.87	0.850224448	88,073.79
10/13/2030	300,070.93	0.830743513	249,281.98
04/13/2031	98,981.37	0.811708938	80,344.06
10/13/2031	304,678.43	0.793110497	241,643.66
04/13/2032	94,157.77	0.774938197	72,966.45
10/13/2032	309,502.03	0.757182273	234,349.45
04/13/2033	89,107.95	0.739833185	65,925.02
10/13/2033	314,551.85	0.722881611	227,383.75
04/13/2034	83,821.29	0.706318444	59,204.52
10/13/2034	319,838.51	0.690134784	220,731.68
04/13/2035	78,286.69	0.674321934	52,790.43
10/13/2035	325,373.12	0.658871400	214,379.04
04/13/2036	72,492.51	0.643774880	46,668.86
10/13/2036	331,167.29	0.629024261	208,312.26
04/13/2037	66,426.58	0.614611619	40,826.55
10/13/2037	294,917.52	0.600529209	177,106.58
04/13/2038	61,068.47	0.586769465	35,833.11
10/13/2038	300,275.63	0.573324994	172,155.52
04/13/2039	55,459.06	0.560188572	31,067.53
10/13/2039	305,885.04	0.547353141	167,427.14
04/13/2040	49,586.58	0.534811805	26,519.49
10/13/2040	311,757.54	0.522557824	162,911.34
04/13/2041	43,438.67	0.510584615	22,179.12
10/13/2041	317,905.44	0.498885744	158,598.49
04/13/2042	37,002.42	0.487454926	18,037.01
10/13/2042	324,341.68	0.476286019	154,479.41
04/13/2043	30,264.31	0.465373022	14,084.19
10/13/2043	331,079.79	0.454710071	150,545.31
04/13/2044	23,210.19	0.444291437	10,312.09
10/13/2044	338,133.91	0.434111522	146,787.83
04/13/2045	15,825.23	0.424164856	6,712.51
10/13/2045	345,518.87	0.414446096	143,198.95
04/13/2046	8,093.91	0.404950018	3,277.63
10/13/2046	353,250.19	0.395671521	139,771.04
		7,470,767.00	4,784,387.78

EXHIBIT B

**IRS FORM 8038-G,
INCLUDING EVIDENCE OF FILING**

[See attached draft to be signed and filed post closing by Gilmore & Bell.]

EXHIBIT C

DESCRIPTION OF THE FINANCED PROPERTY; SOURCES AND USES OF FUNDS

Description of the Financed Property:

The Financed Property consists of the District's library facility, including renovations thereto, located at 7150 La Palma Avenue, Buena Park, California 90620.

The estimated average economic life of the Financed Property is approximately 33 years, and the Financed Property is expected to be placed in service no later than December 31, 2027.

Sources and Uses of Funds:

Sources:

Lease Agreement Proceeds	\$ 4,784,387.78
District Equity Contribution	<u>8,000,000.00</u>
Total Sources:	<u>\$12,784,387.78</u>

Uses:

Costs of the Project	\$12,500,000.00
Capitalized Interest during Construction Period for Project	224,387.78
Costs of Issuance.....	<u>60,000.00</u>
Total Uses:	<u>\$12,784,387.78</u>

EXHIBIT D
SAMPLE ANNUAL COMPLIANCE CHECKLIST

Name of tax-exempt obligation financing the Project: Description of the Project: Placed in service date of the Project: Name of Compliance Officer: Period covered by request ("Annual Period"):	Lease Agreement dated as of October 13, 2026, between Buena Park Library District, as lessee (the "District"), and Municipal Finance Corporation, as lessor ("the Corporation") Library facility renovations
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Item	Question	Response
1 Ownership	For federal income tax purposes, was the Project owned by the District during the entire Annual Period?	☐ Yes ☐ No
	If answer above was "No," was an Opinion of Special Tax Counsel obtained prior to the transfer?	☐ Yes ☐ No
	If Yes, include a description of the advice in the Tax Compliance File.	
	If No, contact Special Tax Counsel and include a description of resolution in the Tax Compliance File.	
2 Use of the Project	During the Annual Period, was any portion of the Project used by a Non-Qualified User pursuant to a lease, management or service agreement, research agreement or any other agreement granting the Non-Qualified User special legal rights to use the Project?	☐ Yes ☐ No
	If answer above was "Yes," was an Opinion of Special Tax Counsel obtained prior to entering into the arrangement?	☐ Yes ☐ No
	If Yes, include a description of the advice in the Tax Compliance File.	
	If No, contact Special Tax Counsel and include description of resolution in the Tax Compliance File.	
3 Arbitrage Rebate; Yield Restriction	Were any proceeds of the Lease Agreement on deposit in the Project Fund invested at any time at a yield that exceeded the yield on the Lease Agreement?	☐ Yes ☐ No
	Were any proceeds of the Lease Agreement on deposit in the Project Fund more than 3 years after the Closing Date of the Lease Agreement?	☐ Yes ☐ No
	Has the District set aside money in any fund or account in excess of an amount needed to pay debt service on the Lease Agreement within the next 12 months (i.e. is more than one year of debt service pre-funded)?	☐ Yes ☐ No
	If Yes to any of the above, contact a Rebate Analyst and incorporate report or include description of resolution in the Tax Compliance File.	

By: Compliance Officer: _____

Date: _____, 20__.

EXHIBIT E

POST ISSUANCE COMPLIANCE WRITTEN PROCEDURES

General

The District will take all appropriate action to assure that (i) no use of the proceeds of the Lease Agreement, and no other event or action, will cause the Lease Agreement to violate federal income tax limitations with respect to the exclusion of interest on the Lease Agreement from federal income taxation, and (ii) all uses of proceeds of the Lease Agreement comply with State and local legal requirements regarding the valid incurrence of debt and permitted uses of proceeds of the Lease Agreement.

Without limiting the generality of the foregoing, the District will take the following actions to account for and monitor (i) the expenditure and investment of Agreement Proceeds, (ii) the use of the Project financed with the proceeds of the Lease Agreement, and (iii) any changes in the underlying structure of the Lease Agreement. The District has the discretion to make exceptions or to require additional procedures as it deems necessary or desirable. The District reserves the right to modify these Written Procedures.

The Library Director of the District (the “Responsible Officer”) will undertake post-issuance compliance relating to the Lease Agreement. The Responsible Officer is familiar with the provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations (the “Regulations”) governing the tax-exempt status of the Lease Agreement. The Responsible Officer may delegate tasks to other officers or staff of the District or to outside attorneys or other experts. In the event that the individual acting as Responsible Officer vacates such position, a new Responsible Officer will be identified within a reasonable period of time after said vacancy.

Initial Documentation Review

1. Upon receipt of the transcript for the Lease Agreement, review the covenants of the District with respect to the tax-exempt status of the Lease Agreement, the use of proceeds certificate, the Tax Agreement and any additional tax documentation. Confirm filing of the applicable 8038 form with the IRS.
2. Create a written schedule for due diligence reviews based upon expectations set forth in the documents relating to the Lease Agreement.

Project Fund; Allocation of Proceeds of the Lease Agreement to Expenditures

1. No less often than every six months through completion of the Project, monitor and document all expenditures from the Project Fund and make the relevant determinations set forth under “Arbitrage and Rebate” below.
2. Monitor and document reimbursement of expenditures paid from non-Lease Agreement proceeds prior to the date of the execution and delivery of the Lease Agreement and verify compliance with §1.150-2 of the Regulations.
3. Allocate proceeds of Lease Agreement to expenditures subject to §1.148-6(d) and §1.141-6(a) of the Regulations by 18 months after the later of the date the expenditure was made or the date the Project was placed in service, but not later than the earlier of 5 years after the Lease Agreement was delivered or 60 days after the Lease Agreement is prepaid or matures. Use a consistent application of the same methodology for all expenditures of proceeds of the Lease Agreement. Document this allocation.

Non-Governmental Uses of the Project

No less than annually, take the following steps to review and document any non-governmental uses of the Project.

1. Confer with personnel responsible for the Project to identify, and discuss, any existing or planned use of Project financed or refinanced with proceeds of the Lease Agreement, to ensure that those uses are consistent with all covenants and restrictions set forth in the Tax Agreement.
2. Monitor and document sales, leases or other use agreements with respect to the Project with nongovernmental entities, not including uses by members of the general public within the meaning of §1.141-3(c) of the Regulations. Compute the percent of private business use or private payments or private security with respect to those nongovernmental uses.
3. Monitor and document management contracts (see e.g., Rev. Proc. 97-13) with nongovernmental entities.
4. Monitor and document other special legal entitlements with respect to the Project financed with proceeds of the Lease Agreement (e.g., licenses, use agreements, easements, etc.).
5. Consult with legal counsel regarding any private use or proposed change in use with respect to the Project.

Arbitrage and Rebate

1. If the Lease Agreement is expected to be exempt from rebate, as set forth in the Tax Agreement, confirm the small issuer rebate exemption under Section 148(f)(4)(D) of the Code at the end of the calendar year in which the Lease Agreement was executed and delivered.
2. If the Lease Agreement is not exempt from rebate, hire a rebate calculation agent or perform rebate calculations internally.
3. Make any required rebate payments according to the following schedule:
 - a. The first installment is due 60 days after the end of 5th bond year.
 - b. Succeeding installments are due 60 days after end of every 5th bond year thereafter.
 - c. The final installment is due 60 days after retirement of the Lease Agreement.
4. Monitor expenditures of proceeds of the Lease Agreement for qualification for rebate expenditure exceptions: 6-month exception, 18-month exception or 24-month exception.
5. Monitor expenditures of proceeds of the Lease Agreement against date of issuance expectations, set forth in the Tax Agreement, regarding 3-year or 5-year temporary periods and 5-year hedge bond limitations. If temporary periods or hedge bond limitations are exceeded, determine if yield reduction payments will be made or if investments will be yield restricted.
6. Consult with legal counsel before entering into any post-issuance credit enhancement transactions or any hedging transactions with respect to the Lease Agreement or proceeds thereof.

Response to Noncompliance

1. Upon a determination of noncompliance, consult promptly with qualified special counsel and other legal counsel and advisers to determine what course of actions can be taken to preserve the tax-exempt status of the Lease Agreement.
2. If the noncompliance will be remediated under existing remedial action provisions or tax-exempt bond closing agreement programs contained in the Regulations or other published guidance from the IRS, determine the deadline for taking action and proceed with diligence to take the required remedial actions.

3. If remedial actions are unavailable, determine whether to make a submission to the Tax Exempt Bonds Voluntary Closing Agreement Program (“VCAP”) under Internal Revenue Manual 7.2.3.

Record Retention

1. Retain records of all accounting and monitoring the District carries out with respect to the Lease Agreement for at least 3 years after the Lease Agreement matures or is prepaid (whichever is earlier); however, if the Lease Agreement is prepaid and refunded, the District will retain its records of accounting and monitoring at least 3 years after the earlier of the maturity or prepayment of the financial obligation which refunds the Lease Agreement.

2. Maintain special records required by the safe harbor for investment contracts or defeasance escrows under §1.148-5 of the Regulations.

3. Maintain a record of the identification on the District’s books and records of any “qualified hedge” contract under §1.148-4(h)(2)(viii) and §1.148-11A(i)(3) of the Regulations.

4. Maintain a record of any election not to take depreciation on property required to be owned by a governmental unit which is leased to a nongovernmental entity as required by §1.103(n)-2T Q/A7 of the Regulations.

5. Maintain records of accounting for rebate for a period of at least 3 years after the earlier of the maturity or prepayment of the Lease Agreement.

Reissuance

A significant modification of the Lease Agreement may result in the Lease Agreement being deemed refunded or “reissued”. Such an event will require, among other things, the filing of new information returns with the federal government and the execution of a new arbitrage certificate. Qualified special counsel should be consulted in the event of modification of the Lease Agreement.

Additional Procedures

The District is encouraged, but is not required, to adopt additional written practices and procedures in order to further ensure that: due diligence reviews are completed at regular intervals; any officials or employees responsible for review or compliance have been adequately trained; all documents and records needed to substantiate compliance are retained; noncompliance is identified in a timely manner; and any noncompliance is corrected in a timely manner.

I hereby acknowledge that as Library Director of the District, I have primary responsibility for implementation of these post-issuance procedures relating to the Lease Agreement.

Acknowledgement:

By: _____
Name: _____
Title: _____

EXHIBIT F

LENDER CERTIFICATE AS TO ISSUE PRICE

\$4,784,387.78

**LEASE AGREEMENT DATED AS OF OCTOBER 13, 2026, BETWEEN
MUNICIPAL FINANCE CORPORATION, AS LESSOR, AND
BUENA PARK LIBRARY DISTRICT, AS LESSEE**

The undersigned, on behalf of EverBank, National Association (the “Lender”), as assignee of Municipal Finance Corporation, under the above-referenced lease agreement (the “Lease Agreement”), being executed and delivered on the date hereof, certifies and represents as follows:

1. Issue Price.

(a) *Issue Price.* On the date of this certificate, the Lender is acquiring the Lease Agreement for the amount of \$4,784,387.78. The Lender is not acting as an Underwriter with respect to the Lease Agreement. The Lender has no present intention to sell, reoffer, or otherwise dispose of the Lease Agreement (or any portion of the Lease Agreement or any interest therein). The Lender has not contracted with any person pursuant to a written agreement to have such person participate in the execution and delivery of the Lease Agreement, and the Lender has not agreed with Buena Park Library District (the “District”) pursuant to a written agreement to sell the Lease Agreement to persons other than the Lender or a Related Party to the Lender.

(b) *Defined Terms.*

(i) The term “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

(ii) The term “Related Party” is defined in U.S. Treasury Regulation § 1.150-1(b) which generally provides that the term related party means any two or more persons who have a greater than 50 percent common ownership, directly or indirectly.

(iii) The term “Underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Lease Agreement to the Public, and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) of this paragraph to participate in the initial sale of the Lease Agreement to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Lease Agreement to the Public).

This certificate may be relied upon by the District in executing and delivering the Federal Tax Agreement relating to the Lease Agreement, and by Gilmore & Bell, P.C., Special Tax Counsel to the Lender, in rendering its opinion relating to the exclusion from federal gross income of the interest portion of lease payments paid under the Lease Agreement and in preparing any informational return required to be filed with the Internal Revenue Service in connection with the execution and delivery of the Lease Agreement .

Dated: October 13, 2026.

EVERBANK, NATIONAL ASSOCIATION

By: _____
Title: Director of Public Finance

EXHIBIT G

SAMPLE FINAL WRITTEN ALLOCATION

\$4,784,387.78

**LEASE AGREEMENT DATED AS OF OCTOBER 13, 2026 BETWEEN
MUNICIPAL FINANCE CORPORATION, AS LESSOR, AND THE
BUENA PARK LIBRARY DISTRICT, AS LESSEE**

The undersigned is the Compliance Officer of Buena Park Library District (the “District”), and in that capacity is authorized to execute federal income tax returns required to be filed by the District and to make appropriate elections and designations regarding federal income tax matters on behalf of the District. This allocation of the proceeds of the tax-exempt obligation referenced above (the “Lease Agreement”) is necessary for the District to satisfy ongoing reporting and compliance requirements under federal income tax laws.

Purpose. This document, together with the schedules and records referred to below, is intended to memorialize allocations of proceeds of the Lease Agreement to expenditures for purposes of §§ 141 and 148 of the Internal Revenue Code (the “Code”). All allocations are or were previously made no later than 18 months following the date the expenditure was made by the District or, if later, the date the “project” was “placed in service” (both as defined below), and no later than 60 days following the 5th anniversary of the Closing Date of the Lease Agreement.

Background. The Lease Agreement was executed and delivered on October 13, 2026 (the “Closing Date”), by the District. The Lease Agreement was executed and delivered in order to provide a portion of the funds needed to acquire, construct, equip and install renovations to the District’s library facility (the “Project”), to pay capitalized interest during the construction period for the Project, and to pay costs of issuance in connection with the execution and delivery of the Lease Agreement. All proceeds of the Lease Agreement in the amount of \$4,784,387.78 were disbursed on the Closing Date.

Sources Used to Fund Project Costs and Allocation of Proceeds to Project Costs. A portion of the costs of acquiring, constructing and installing the Project was paid from sale proceeds of the Lease Agreement and the remaining costs of the Project were paid from earnings from the investment of proceeds of the Lease Agreement in the Project Fund and from other money of the District as shown on **Schedule 1** to this Final Written Allocation.

Identification of Financed Property. The portion of the Project financed from proceeds of the Lease Agreement (i.e., the “Description of the Financed Property” listed in **Exhibit C** to the District’s Federal Tax Agreement) is listed on page 1 of **Schedule 2** to this Final Written Allocation.

Identification and Timing of Expenditures for Arbitrage Purposes. For purposes of complying with the arbitrage rules, the District allocates the proceeds of the Lease Agreement to the various expenditures described in the invoices, requisitions or other substantiation attached as **Schedule 2** to this Final Written Allocation. In each case, the cost requisitioned was either paid directly to a third party or reimbursed the District for an amount it had previously paid or incurred. Any amount received from proceeds of the Lease Agreement and retained as purchaser’s discount are allocated to that purpose and spent on the Closing Date. Amounts allocated to interest expense are treated as paid on the interest payment dates for the Lease Agreement.

Placed In Service. The Project was “placed in service” on the date set out on **Schedule 2** to this Final Written Allocation. For this purpose, the assets are considered to be “placed in service” as of the date on which, based on all the facts and circumstances: (1) the acquisition, constructing, equipping and installation of the Project has reached a degree of completion which would permit its operation at substantially its design level; and (2) the asset is, in fact, in operation at that level.

This allocation has been prepared based on statutes and regulations existing as of this date. The District reserves the right to amend this allocation to the extent permitted by future Treasury Regulations or similar authorities.

BUENA PARK LIBRARY DISTRICT

By: _____
Title: _____

Dated: _____

Name of Legal Counsel/Law Firm Reviewing Final Written Allocation:

Date of Review: _____

**SCHEDULE 1
TO FINAL WRITTEN ALLOCATION**

ALLOCATION OF SOURCES AND USES

[Attach Spreadsheet after the Project is completed.]

**SCHEDULE 2
TO FINAL WRITTEN ALLOCATION**

**IDENTIFICATION OF FINANCED ASSETS
AND
DETAILED LISTING OF EXPENDITURES**

[Attach Spreadsheet after the Project is completed.]

Gilmore & Bell, P.C.
Draft-October 2, 2026

RECORDING REQUESTED BY:
BUENA PARK LIBRARY DISTRICT

AFTER RECORDATION, PLEASE RETURN TO:
Gilmore & Bell, P.C.
2405 Grand Blvd., Suite 1100
Kansas City, MO 64108
Attention: Jason Schurke, Esq.

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383
OF THE CALIFORNIA GOVERNMENT CODE.

ASSIGNMENT AGREEMENT

ASSIGNMENT AGREEMENT

This **ASSIGNMENT AGREEMENT** is made and entered into as of October 13, 2026, by and between **MUNICIPAL FINANCE CORPORATION**, a corporation organized and existing under the laws of the State of California (the “Corporation”), and **EVERBANK, NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America as assignee, including its successors and assigns (the “Assignee”), and consented to by **BUENA PARK LIBRARY DISTRICT** (the “District”).

WITNESSETH:

In the joint and mutual exercise of their powers, in consideration of the mutual covenants herein contained, and for other consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto recite and agree as follows:

Section 1. Recitals.

(a) The Corporation and the District have entered into an unrecorded Lease Agreement, dated as of October 13, 2026 (the “Lease Agreement”), a Memorandum of which is recorded concurrently herewith, whereby the Corporation has agreed to lease to the District, and the District has agreed to lease from the Corporation, the real property, building and the improvements now or hereafter located thereon, as further described in **Exhibit A** hereto and incorporated herein by reference, or any property substituted therefor in accordance with **Section 4.7** of the Lease Agreement (the “Leased Property”), in the manner and on the terms set forth in the Lease Agreement, which terms include, without limitation, the obligation of the District to pay lease payments set forth therein (the “Lease Payments”) to the Corporation in consideration of the District’s use and enjoyment of the Leased Property.

(b) The Assignee has agreed to acquire the right, title and interest of the Corporation under the Site Lease, dated as of October 13, 2026, which is recorded concurrently herewith (the “Site Lease”), by and between the Corporation and the District, and the Lease Agreement, and the purchase price therefor will be made available to the District for the purpose of financing a portion of the cost of making renovations to the District’s library facility (the “Project”), including payment of capitalized interest during the construction period for the Project, and paying related costs of issuance.

(c) Each of the parties has the power and authority to enter into this Assignment Agreement and has taken all actions necessary to authorize its officers to execute it.

Section 2. Assignment. The Corporation, for good and valuable consideration, hereby transfers, assigns and sets over to the Assignee, effective on the date hereof, all of the Corporation’s rights, title and interests under the Site Lease, which is recorded concurrently herewith, and the unrecorded Lease Agreement (excepting only the Corporation’s rights under **Section 7.3** of the Lease Agreement) as disclosed by that certain Memorandum of Lease Agreement by and between the District and the Corporation which is recorded concurrently herewith, including without limitation (i) the right to receive and collect all of the Lease Payments from the District; (ii) the right to receive and collect any proceeds of any insurance maintained thereunder and of any condemnation award rendered with respect to the Leased Property; (iii) the right to exercise such rights and remedies conferred on the Corporation pursuant to the Site Lease and Lease Agreement as may be necessary or convenient (A) to enforce payment of the Lease Payments, or (B) otherwise to protect the interests of the Assignee in the event of a default by the District under the Site Lease and Lease Agreement; and (iv) the right to take all actions and give all consents under the Site Lease and the Lease Agreement, provided that such consents shall not be unreasonably withheld, conditioned, or

delayed. The Assignment made under this Section is absolute and irrevocable, and without recourse to the Corporation.

The above assignment is intended to be an absolute and unconditional assignment to the Assignee and is not intended as a loan by the Assignee to the Corporation. Accordingly, in the event of bankruptcy of the Corporation, the Leased Property shall not be part of the Corporation's estate. However, if the above assignment is deemed to be a loan by the Assignee to the Corporation, then the Corporation shall be deemed to have granted to the Assignee, and hereby grants to the Assignee, a continuing first priority security interest in the Corporation's interest in the Site Lease and the Lease Agreement (including without limitation, the right to receive Lease Payments) and all proceeds thereof as collateral security for all obligations of the Corporation hereunder and all obligations of the District under the Lease Agreement and this Assignment Agreement shall be deemed a security agreement with respect to such loan.

Section 3. Representations and Agreements of the Corporation. The Corporation hereby represents, warrants, acknowledges and agrees to and for the benefit of the Assignee as follows:

(a) The Corporation has made no prior sale or assignment of any of its right, title or interest in the Site Lease and the Lease Agreement and has not mortgaged or granted a security interest or otherwise encumbered its right, title and interest therein.

(b) The Site Lease and the Lease Agreement are genuine and in all respects are what they purport to be and are in full force and effect, and neither the District nor the Corporation is in default thereunder.

(c) The Assignee is not liable for and does not assume responsibility for the performance of any of the covenants, agreements, duties or obligations specified in the Lease Agreement or the Site Lease to be kept, paid, or performed by the Corporation; provided, however, that the Corporation shall remain liable for performance of all such obligations notwithstanding the assignment hereunder.

(d) The Assignee has paid or agreed to pay \$4,784,387.78 for the assignment of certain rights and interests of the Corporation in the Lease Agreement and the Site Lease.

(e) The Corporation has the power, authority, and legal right to execute, deliver and perform this Assignment Agreement, and this Assignment Agreement is a valid, binding, and enforceable obligation of the Corporation, except as such enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by the application of equitable principles.

(f) Good and marketable title to the rights assigned hereunder has been duly vested in the Assignee free and clear of any liens, security interests, encumbrances or other claims other than the rights of the District under the Lease Agreement.

Section 4. Covenants.

(a) *Nonimpairment of Lease.* The Corporation agrees that it (1) shall not have any right to amend, modify, compromise, release, terminate or permit prepayment of the Lease Agreement without the consent of the Assignee, and (2) shall not take any action that may impair the payment of Lease Payments or the validity or enforceability of the Lease Agreement.

(b) *Lease Payments.* If the Corporation receives any Lease Payments, then the Corporation shall receive such payments in trust for the Assignee and shall immediately deliver the same to the Assignee in the form received, duly endorsed by the Corporation for deposit by the Assignee.

(c) *Further Assurances.* The Corporation shall execute and deliver to the Assignee such notices of assignment, UCC financing statements, assignments of financing statements and other documents, in form and substance reasonably satisfactory to the Assignee, and the Corporation shall take such other actions, as the Assignee may reasonably request from time to time to evidence, perfect, maintain, and enforce the Assignee's rights in the rights assigned hereunder and under this Assignment Agreement and/or to enforce or exercise the Assignee's rights or remedies under the Lease Agreement. The Assignee may, where permitted by law, file such UCC financing statements without the Corporation's signature.

Section 5. Acceptance. The Assignee hereby accepts the assignments made herein for the purpose of securing the Lease Payments due pursuant to the Lease Agreement and the rights under the Lease Agreement. Furthermore, by its acceptance of this Assignment Agreement, the Assignee represents for the benefit of the District that the Assignee reasonably expects to hold the Lease Agreement for its own account and does not presently expect to sell, assign, or otherwise transfer the Lease Agreement, subject to the transfer restrictions set forth in **Section 7** hereof.

Section 6. Execution in Counterparts; Governing Law. This Assignment Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This Assignment Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 7. Restriction on Transfers. The Assignee shall have the right at any time to assign, transfer, participate or convey the Lease Agreement or any interest therein or portion thereof, but no such assignment, transfer, participation or conveyance shall be effective as against the District unless and until the Assignee has delivered to the District written notice thereof that discloses the name and address of the subsequent Assignee or the Loan Servicer (as hereafter provided) and an executed copy of a letter addressed to the District and the Corporation substantially in the form of the letter delivered by the Assignee on the Closing Date; provided, however, that such written notice and letter shall not be required to be provided to the District if assignment or transfer of the Lease Agreement is made to a subsidiary or affiliate of the Assignee, and the Assignee continues as servicer for the Lease Payments paid under the Lease Agreement. Such assignment, transfer, participation or conveyance shall be made only to (i) a subsidiary or affiliate of the Assignee; (ii) a "Bank" as defined in Section 3(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"); (iii) an "Accredited Investor" as defined in Regulation D under the Securities Act; or (iv) a "Qualified Institutional Buyer" as defined in Rule 144A under the Securities Act; provided that any such subsequent assignee shall be bound by the terms of this Assignment Agreement, including the transfer restrictions set forth in this **Section 7**. Nothing herein shall limit the right of the Assignee or its assignees to sell or assign participation interests in the Lease Agreement to one or more entities listed in (i) or (ii), provided that any participation, custodial or similar agreement under which multiple ownership interests in the Lease Agreement are created shall provide the method by which the owners of such interests shall establish the rights and duties of a single entity, owner, servicer or other fiduciary or agent acting on behalf of all of the assignees (herein referred to as the "Loan Servicer") to act on their behalf with respect to the rights and interests of the Assignee under the Lease Agreement, including with respect to the exercise of rights and remedies of the Assignee on behalf of such owners upon the occurrence of an event of default under the Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement by their officers thereunto duly authorized as of the day and year first written above.

MUNICIPAL FINANCE CORPORATION

By: _____
Name: William A. Morton
Title: President

EVERBANK, NATIONAL ASSOCIATION

By: _____
Name: Trevor Mael
Title: Director of Public Finance

[Signature Page to Assignment Agreement]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

COUNTY OF _____)

On October ____, 2026, before me, _____, Notary Public, personally appeared WILLIAM A. MORTON, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(SEAL)

[Notary Page to Assignment Agreement]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF _____)

COUNTY OF _____)

On October ____, 2026, before me, _____, Notary Public, personally appeared TREVOR MAEL, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of _____ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(SEAL)

[Notary Page to Assignment Agreement]

EXHIBIT A

DESCRIPTION OF THE LEASED PROPERTY

The Leased Property consists of the land described below located at 7150 La Palma Avenue, Buena Park, California 90620, together with the building and improvements now or hereafter located thereon and all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto, described as follows:

[To Come.]



Date: October 6, 2026
To: Board of Library Trustees
From: Helen Medina, Library Director
Subject: Resolution 2026-23 Approving Amendment No. 1 to Independent Consultant Agreement for Construction Management Services By and Between Buena Park Library and Griffin Structures, Inc. in an amount not-to-exceed \$565,385.00.

Recommended Action:

- 1) Adopt Resolution 2026-23 Approving Amendment No. 1 to Independent Consultant Agreement for Construction Management Services By and Between Buena Park Library and Griffin Structures, Inc. in an amount not-to-exceed \$565,385.00.
- 2) Authorize the Library Director to make any necessary non-monetary changes to the agreement.
- 3) Authorize Library Director to execute the agreement.

Background:

In March 2024, the Board approved a contract with Griffin Structures for construction management services for the Library Renovation Project in the amount of \$799,000. At the time, the project contemplated a smaller and less complex scope of work, and the contract was structured based on the anticipated level and duration of services associated with that scope. Based on the project schedule and scope then known, available contract funds were anticipated to support approximately 2.5 years of services.

Since the original agreement, the project has evolved substantially. In March 2025, the Board approved an expanded project scope that increased both the size and complexity of the work. The expanded project requires additional construction management coordination, technical oversight, inspections, schedule monitoring, and project administration beyond what was contemplated under the original agreement.

The additional construction management needs and associated costs have been anticipated as part of the overall project planning. Funding for the proposed amendment was incorporated into the capital budget presented to and approved by the Board in June 2026. The proposed amendment will align the consultant's scope and level of effort with the Board-approved project scope and extend services through the project's anticipated conclusion in October 2027.

Discussion:

The project approved by the Board in March 2025 is materially larger and more complex than the original scope described in March 2024. The expanded work requires greater coordination among the District, architect/design professionals, contractors, inspectors, specialty consultants, regulatory agencies, and other project participants. The proposed amendment will provide the professional services necessary to manage these project demands and maintain appropriate oversight through completion.

A dedicated construction management professional provides an important layer of independent, day-to-day oversight during construction. This expertise is particularly valuable for a public agency project where the District has an obligation to protect public

resources, maintain safe conditions, and ensure that construction is performed in accordance with the approved plans, specifications, contract requirements, building codes, and regulatory requirements. Construction management staff can identify potential safety, quality, scheduling, and coordination issues before they become larger problems; document field conditions and contractor activities; coordinate responses among the project team; and assist the District in ensuring that required inspections and corrective actions are completed. Given the increased complexity of the project, continued oversight by an experienced construction management professional provides the District with specialized expertise beyond the capabilities of District staff. It also provides an important resource for evaluating technical issues, coordinating multiple parties, documenting decisions, and ensuring that potential problems are identified and addressed in a timely manner.

The project also includes concrete and structural steel work that is subject to required special inspections. These inspections are an important component of construction quality assurance and code compliance and are intended to verify that specified materials and construction practices conform to the approved project documents and applicable requirements. The proposed amendment includes an added allocation of \$125,000.00 for services associated with coordinating and overseeing these special inspection activities. This includes coordination with qualified inspection personnel, the contractor, design professionals, and other members of the project team; monitoring inspection activities and results; and ensuring that required documentation and corrective actions are appropriately tracked. Because concrete and steel are critical components of the building's structural system, appropriate inspection, documentation, and follow-through are particularly important to the District's overall responsibility for delivering a safe and code-compliant facility.

The proposed amendment will allow the existing construction management team to remain engaged through the anticipated project completion in October 2027. Maintaining continuity is beneficial because the consultant is already familiar with the project history, approved scope, design documents, contractor relationships, outstanding issues, and prior project decisions. Continuing with the existing consultant avoids the disruption, delays, and potential inefficiencies associated with transitioning construction management responsibilities during an active construction project. It also preserves institutional knowledge and allows the consultant to maintain continuity in safety oversight, inspection coordination, schedule monitoring, documentation, and project closeout.

Fiscal Impact:

The proposed amendment will increase the authorized expenditure for construction management services by \$565,385.00 from the original contract amount of \$799,000.00. The additional construction management costs were anticipated as part of the overall project budget and incorporated into the capital budget presented to and approved by the Board in June 2026. No additional appropriation is requested as part of this action. The amendment represents an adjustment to the construction management contract consistent with the expanded project scope, anticipated project duration, and level of professional services identified during project planning and included in the approved capital budget. \$125,000.00 of this expenditure is allocated for special inspections.

Recommendation:

The project has evolved significantly since the original construction management agreement was approved in March 2024. The Board's March 2025 approval of an expanded scope

increased the level of coordination, technical oversight, inspection, scheduling, and administration necessary to successfully deliver the project.

The proposed amendment will provide the District with continued access to specialized construction management expertise through the anticipated October 2027 completion.

For these reasons, staff recommends approval of the proposed contract amendment.

Exhibit:

Resolution 2026-23 Approving Amendment No. 1 to Independent Consultant Agreement for Construction Management Services by and Between Buena Park Library and Griffin Structures, Inc. in an amount not-to-exceed \$565,385.00.

**AMENDMENT NO. 1 TO INDEPENDENT CONSULTANT AGREEMENT FOR
CONSTRUCTION MANAGEMENT SERVICES**

BY AND BETWEEN

BUENA PARK LIBRARY DISTRICT AND GRIFFIN STRUCTURES, INC.

This Amendment No. 1 to the Independent Consultant Agreement for Construction Management Services ("Amendment") is made and entered into as of _____, 2026 ("Effective Date") by and between the Buena Park Library District ("District") and Griffin Structures, Inc. ("Consultant") (collectively, the "Parties") as follows:

RECITALS

WHEREAS, the Parties entered into an Independent Consultant Agreement for Construction Management Services, dated March 8, 2024 ("Agreement"), for the Library Renovation Project ("Project");

WHEREAS, the Agreement established a total not-to-exceed fee of Seven Hundred Ninety-Nine Thousand Dollars (\$799,000.00), inclusive of authorized reimbursable expenses, for an initial term through August 31, 2026;

WHEREAS, the Project has an anticipated duration of up to 12 months, consisting of the Construction Phase of October 2026 to September 2027 and Closeout Phase of September 2027 to October 2027;

WHEREAS, Consultant has proposed an additional time-and-materials fee of Five Hundred Sixty-Five Thousand Three Hundred Eighty-Five Dollars (\$565,385.00), inclusive of authorized reimbursable expenses, for the continued provision of construction management services for the Project, including the additional scope of Special Inspections, through construction completion, Project closeout, and final handover.

WHEREAS, the Parties now desire to amend the Agreement to provide for an extension of the term through project closeout, anticipated in October 2027, and to revise the Agreement as otherwise necessary to facilitate the services.

NOW, THEREFORE, the Parties do hereby mutually agree as follows:

TERMS

Section I. Amendments of Agreement.

1. Section 2 of the Agreement is hereby amended and replaced with the following:

Consultant shall commence providing services under this Agreement on March 18, 2024, and will diligently perform as required through project closeout for the Library Renovation Project ("Project"), anticipated in October 2027, unless this Agreement is terminated and/or otherwise cancelled prior to that time.

2. Section 4 of the Agreement is hereby amended and replaced with the following, without changing subsections 4.1 through 4.4, which shall remain:

District agrees to pay Consultant for services satisfactorily rendered pursuant to this Agreement a total fee not to exceed **One Million Three Hundred Sixty-Four Thousand Three Hundred Eighty-Five Dollars (\$1,364,385.00), inclusive of authorized reimbursable expenses.** Consultant's fee set forth in this Agreement shall be full compensation for all of Consultant's Services incurred in its performance.

3. Exhibit B of the Agreement is hereby supplemented with Exhibit 1 hereto (Fee Breakdown for Amended Fee), which shall be added to and become a part of Exhibit B.

Section II. All Other Provisions Reaffirmed.

All other provisions of the Agreement shall remain in full force and effect and are hereby reaffirmed. If there is any conflict between this Amendment and any provision of the Agreement, the provisions of this Amendment shall control. All capitalized terms used in this Amendment, but not defined herein (including the recitals), shall have the respective meanings given to them in the Agreement.

IN WITNESS WHEREOF, the Parties have caused this Amendment to the Agreement to be executed by their respective officers who are duly authorized, as of the Effective Date.

ACCEPTED AND AGREED on the date indicated below:

Dated: _____, 2026

Dated: _____, 2026

Buena Park Library District

Griffin Structures, Inc.

By: _____

By: _____

Name: Helen Medina

Name: _____

Title: Library Director

Title: _____

Exhibit 1 to Amendment No. 1

Fee Breakdown for Amended Fee

UPDATE: PROJECT: AGENCY PROJECT NO: CLIENT/OWNER: CONTRACTOR:		Exhibit A - Griffin Fee Adjustment ASR 01 - 09/22/2026 Buena Park Library Renovation Project BPLD-24-01-REN Buena Park Library District Monett Construction												BUENA PARK Library District		GRIFFIN TRADE LLC						
Project Phase		PRE-CONSTRUCTION				CONSTRUCTION												POST-CON		Amended Totals	Original Totals	Delta Totals
Month																						
Date		Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027	Jul 2027	Aug 2027	Sep 2027	Oct 2027					
Program & CM Mgmt Services (Fee)																						
- Principal-in-Charge		\$ 21,830.00	\$ 590.00	\$ 590.00	\$ 590.00	\$ 590.00	\$ 590.00	\$ 610.00	\$ 610.00	\$ 610.00	\$ 610.00	\$ 610.00	\$ 610.00	\$ 610.00	\$ 610.00	\$ 610.00	\$ 610.00	\$ 30,880.00	\$ 17,060.00	\$ 13,820.00		
- Project Executive		\$ 265,598.00	\$ 26,220.00	\$ 18,240.00	\$ 11,400.00	\$ 11,400.00	\$ 11,400.00	\$ 11,800.00	\$ 11,800.00	\$ 11,800.00	\$ 11,800.00	\$ 11,800.00	\$ 11,800.00	\$ 9,440.00	\$ 9,440.00	\$ 9,440.00	\$ 5,900.00	\$ 449,278.00	\$ 65,840.00	\$ 383,438.00		
- Pre-Development Manager		\$ 168,700.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 168,700.00	\$ 136,800.00	\$ 31,900.00		
- Construction Manager		\$ 30,727.00	\$ -	\$ 10,600.00	\$ 24,380.00	\$ 27,560.00	\$ 27,560.00	\$ 28,600.00	\$ 28,600.00	\$ 28,600.00	\$ 28,600.00	\$ 28,600.00	\$ 28,600.00	\$ 28,600.00	\$ 28,600.00	\$ 28,600.00	\$ 28,600.00	\$ 406,827.00	\$ 388,280.00	\$ 18,547.00		
- Program Analyst		\$ 50,260.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,260.00	\$ 21,040.00	\$ (7,860.00)		
- Facilities Condition Assessment		\$ 7,315.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,315.00	\$ 15,000.00	\$ (7,685.00)		
- Cost Estimating		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000.00	\$ (15,000.00)		
- Schedule Reviews		\$ -	\$ -	\$ -	\$ 10,000.00	\$ 2,450.00	\$ 2,450.00	\$ 2,450.00	\$ 2,450.00	\$ 2,450.00	\$ 2,450.00	\$ 2,450.00	\$ 2,450.00	\$ 2,450.00	\$ 2,450.00	\$ 2,450.00	\$ 2,450.00	\$ 36,950.00	\$ -	\$ 36,950.00		
- Labor Compliance		\$ -	\$ -	\$ -	\$ -	\$ 2,850.00	\$ 2,850.00	\$ 2,850.00	\$ 2,850.00	\$ 2,850.00	\$ 2,850.00	\$ 2,850.00	\$ 2,850.00	\$ 2,850.00	\$ 2,850.00	\$ 2,850.00	\$ 2,850.00	\$ 34,200.00	\$ 50,000.00	\$ (15,800.00)		
- Special Inspections		\$ -	\$ -	\$ -	\$ -	\$ 13,890.00	\$ 13,890.00	\$ 13,890.00	\$ 13,890.00	\$ 13,890.00	\$ 13,890.00	\$ 13,890.00	\$ 13,890.00	\$ 13,890.00	\$ 13,890.00	\$ 13,890.00	\$ 13,890.00	\$ 125,000.00	\$ -	\$ 125,000.00		
- Historic Preservation Assessment		\$ 19,273.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,273.00	\$ 25,000.00	\$ (5,727.00)		
- Hazardous Material Support		\$ 18,392.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,392.00	\$ 18,000.00	\$ 392.00		
- Reimbursable Expenses:		\$ 5,824.00	\$ 268.00	\$ 253.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 825.00	\$ 735.00	\$ 16,980.00	\$ 16,980.00	\$ -		
- Insurance		INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC		
- Misc. Office Supplies & Printing:		INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC		
- Autodesk		INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC	INC		
Sub-Total		\$ 588,249.00	\$ 27,078.00	\$ 29,683.00	\$ 47,195.00	\$ 45,675.00	\$ 59,565.00	\$ 61,025.00	\$ 61,025.00	\$ 61,025.00	\$ 61,025.00	\$ 61,025.00	\$ 61,025.00	\$ 58,665.00	\$ 58,665.00	\$ 44,775.00	\$ 38,695.00	\$ 1,364,385.00	\$ 799,000.00	\$ 565,385.00		
Cumulative Total		\$ 588,249.00	\$ 615,327.00	\$ 645,010.00	\$ 692,205.00	\$ 737,880.00	\$ 797,445.00	\$ 858,470.00	\$ 919,495.00	\$ 980,520.00	\$ 1,041,545.00	\$ 1,102,570.00	\$ 1,163,595.00	\$ 1,224,260.00	\$ 1,280,915.00	\$ 1,325,690.00	\$ 1,364,385.00					

Program & CM Mgmt Services (Staffing Hours)																		Amended	Original	Delta
- Principal-in-Charge		77	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	107	60	47
- Project Executive		952	92	64	40	40	40	40	40	40	40	40	40	32	32	32	20	1504	240	1264
- Pre-Development Manager		636	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	636	512	124
- Construction Manager		116	0	40	92	104	104	104	104	104	104	104	104	104	104	104	104	1496	1496	0
- Program Analyst		224	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	224	224	0

Program Mgmt & CM Services (Hourly Billing Rates)			2026	2027
- Principal in Charge			\$ 295.00	\$ 305.00
- Project Executive			\$ 285.00	\$ 295.00
- Construction Manager			\$ 265.00	\$ 275.00

All proposed hourly rates are fully burdened and include overhead, profit, taxes, and employee benefits. The hours identified for each individual employee and task are estimates for budgeting purposes only and shall not be construed as a not-to-exceed allocation for any individual task, phase, or period. Consultant reserves the right to reallocate hours among staff members and tasks, in consultation with District staff, as necessary to accomplish the overall objectives and requirements of the Project.



Date: October 6, 2026
To: Board of Library Trustees
From: Helen Medina, Library Director
Subject: Approval of Agreement with A-Tech Consulting, Inc. for Hazardous Materials Assessment and Monitoring Services in an amount not-to-exceed \$44,695.00

Recommended Action:

- 1) Approve the agreement with A-Tech Consulting, Inc. for hazardous materials assessment and monitoring services in an amount not-to-exceed \$44,695.00
- 2) Authorize the Library Director to make non-monetary changes to the agreement.
- 3) Authorize the Library Director to execute the agreement.

Background:

The Buena Park Library District ("District") is undertaking the Library Renovation Project which involves construction activities within the existing 1969 facility, exterior structures, and throughout the site including concrete and asphalt. Prior sampling has revealed extensive lead and asbestos containing materials that require special handling for demolition and disposal. A review of the scope of work determined that additional materials would require testing before demolition can occur and there is high likelihood that additional materials may be encountered during the project that may require additional testing that were not reasonably identifiable during the project's planning and design phases.

Accordingly, the District has an interest in ensuring that construction activities are conducted using appropriate procedures that protect workers, District personnel, neighboring residents, and the surrounding community by ensuring that abatement and demolition activities are conducted safely and according to legal standards. As such, the District recommends that the abatement activities be monitored by a certified consultant for compliance with regulatory requirements.

Discussion:

Staff recommends retaining A-Tech Consulting ("A-Tech") to provide hazardous materials assessment and monitoring services during construction activities. A-Tech conducted comprehensive asbestos and lead assessments and a limited mold assessment used by the design team and the contractors. A-Tech has extensive knowledge of the District's facility based on their surveying in the planning phase of the Library Renovation Project. The monitoring will provide qualified professional oversight to help ensure that work is performed in accordance with regulatory requirements, project specifications, and proper health and safety procedures. The consultant's services will also help ensure that the District and project team have accurate and timely information regarding conditions encountered during construction, including appropriate documentation of observations, monitoring activities, and procedures followed.

Depending on conditions encountered in the field, there may be a need to stop work to conduct additional surveying, for the creation of specialized work plans, monitoring, documentation, coordination with the contractor and project team, review of applicable procedures, and assistance in responding to previously unknown or unexpected conditions.

Importantly, the proposed monitoring provides an additional level of protection for the District. It helps establish that compliant practices are being followed and provides the

District with support should conditions arise that require further investigation, corrective action, or regulatory coordination.

Staff considers the proposed contract to be a responsible risk management measure for the District. The age of the building and the potential for unknown existing conditions create a need for professional oversight while construction activities may disturb existing building materials. Additional hazardous materials assessment is required before certain activities can move forward and monitoring will help the District respond appropriately to conditions that may not have been known or anticipated before construction began.

The monitoring will support protection of the health and safety of workers, District employees, contractors, consultants, future library patrons, neighboring residents, and other members of the public who may be affected by construction activities. Given the facility's location in a residential neighborhood, appropriate monitoring, work procedures, communication, and documentation are particularly important. The proposed services will provide the District and project team with necessary support for informed decision-making and compliance throughout the construction process.

Fiscal Impact:

The proposed contract amount is not-to-exceed \$44,695.00, which is included within the approved June 2026 capital budget, therefore, no additional appropriation is being requested.

Recommendation:

Staff recommends that the Board approve the agreement with A-Tech Consulting for hazardous materials assessment and monitoring services in an amount not-to-exceed \$44,695.00.

Exhibit:

Agreement with A-Tech Consulting, Inc. for Hazardous Materials Assessment and Monitoring Services in an amount not-to-exceed \$44,695.00

INDEPENDENT CONSULTANT AGREEMENT FOR HAZARDOUS MATERIALS ASSESSMENT AND MONITORING SERVICES

This Independent Consultant Agreement for Hazardous Materials Assessment and Monitoring Services ("Agreement") is made and entered into as of the _____ day of _____, 2026 by and between the Buena Park Library District ("District") and A-Tech Consulting, Inc. ("Consultant") (together, "Parties").

WHEREAS, Government Code section 53060 authorizes the District to contract with any person(s) for the furnishing of special services and advice if such persons are specially trained and experienced and competent to perform the special services required; and

WHEREAS, District duly determined that it needs some or all of the services (collectively, "Services") to be provided pursuant to this Agreement; and

WHEREAS, Consultant is specially trained, experienced, and competent to perform the Services required by District, as needed on the basis set forth in this Agreement.

NOW, THEREFORE, the Parties agree as follows:

1. **Services.** Consultant shall provide Limited Asbestos and XRF-Lead Assessment, Asbestos and Lead Project Monitoring, Asbestos Clearance, Lead Clearance, and Procedure 5 Work Plan for the Buena Park Library, located at 7150 La Palma Avenue, Buena Park, CA 90620 ("Site"), as further described in **Exhibit A**, attached hereto and incorporated herein by this reference ("Services").
2. **Term.** Consultant shall commence providing services upon execution of this Agreement and will diligently perform as required and complete performance according to the schedule contained in **Exhibit B**, unless this Agreement is terminated and/or otherwise cancelled prior to that time.
3. **Submittal of Documents.** Consultant shall not commence the Services under this Agreement until Consultant has submitted and District has approved the documents, certificate(s) and affidavit(s), and endorsement(s) of insurance required as indicated below:

X	Signed Agreement
X	Workers' Compensation Certification
X	Prevailing Wage Certification
X	Insurance Certificates and Endorsements
X	W-9 Form
	Other: _____
4. **Compensation.** District agrees to pay Consultant for services satisfactorily rendered pursuant to this Agreement a total fee not to exceed **Forty-Four Thousand Six Hundred Ninety-Five Dollars (\$44,695.00)**. District shall pay Consultant according to the following terms and conditions:
 - 4.1. Payment for the Services shall be made for all undisputed amounts based upon the delivery of the work product as determined by District. Payment shall be made within thirty (30) days after Consultant submits an invoice to District for Services actually completed and after District's written approval of the Services, or the portion of the Services for which payment is to be made.

- 4.2. The Services shall be performed and invoiced pursuant to the hourly billing rates and/or unit prices included in **Exhibit B**. The itemized invoice shall reflect the hours spent by Consultant in performing its Services pursuant to this Agreement.
5. **Materials.** Consultant shall furnish, at its own expense, all labor, materials, equipment, supplies and other items necessary to complete the services to be provided pursuant to this Agreement.
6. **Expenses.** District shall not be liable to Consultant for any costs or expenses paid or incurred by Consultant in performing services for District.
7. **Independent Contractor.** Consultant represents and warrants that Consultant is an independent contractor or business entity that is: (i) free from the control and direction of District in connection with the performance of the Services, (ii) performing Services that are outside the usual course of District's business, and (iii) customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the Services performed, District being interested only in the results obtained. Consultant understands and agrees that it and all of its employees shall not be considered officers, employees, agents, partner, or joint venture of District, and are not entitled to benefits of any kind or nature normally provided to employees of District and/or to which District's employees are normally entitled, including, but not limited to, State Unemployment Compensation or Worker's Compensation. Consultant shall assume full responsibility for payment of all federal, state and local taxes or contributions, including unemployment insurance, social security and income taxes with respect to Consultant's employees.
8. **Certificates/Permits/Licenses/Registrations.** Consultant and all Consultant's employees or agents shall secure and maintain in force such certificates, permits, licenses, and registrations as are required by law in connection with the furnishing of Services pursuant to this Agreement.
9. **Performance of Services.**
- 9.1. **Standard of Care.** Consultant represents that Consultant has the qualifications and ability to perform the Services in a professional manner, without the advice, control or supervision of District. Consultant's services will be performed, findings obtained, reports and recommendations prepared in accordance with generally and currently accepted principles and practices of its profession for services of a similar nature in California.
- 9.2. **Due Diligence.** Consultant shall carefully study and compare all documents, findings, and other instructions and shall at once report to District, in writing, any error, inconsistency, or omission that Consultant or its employees may discover. Consultant shall have responsibility for discovery of errors, inconsistencies, or omissions.
- 9.3. **Safety and Security.** Consultant is responsible for maintaining safety in the performance of this Agreement. Consultant shall be responsible for ascertaining from the District the rules and regulations pertaining to safety, security, and driving on library grounds.

9.4. **Meetings.** Consultant and District agree to participate in regular meetings as reasonably requested by either Party to discuss strategies, timetables, implementations of services, and any other issues deemed relevant to the operation of Consultant's performance of Services, and as otherwise agreed upon by the Parties.

9.5. **District Approval.** The Services completed herein must meet the approval of District and shall be subject to District's general right of inspection and supervision to secure the satisfactory completion thereof. Consultant shall not submit documents on behalf of the District to any state or federal agency or other authority having jurisdiction without the District's prior review and authorization.

9.6. **District's Evaluation of Consultant and Consultant's Employees and/or Subcontractors.** District may evaluate Consultant in any way District is entitled pursuant to applicable law. District's evaluation may include, without limitation:

9.6.1. Requesting that District employee(s) evaluate Consultant and Consultant's employees and subcontractors and each of their performance.

9.6.2. Announced and unannounced observance of Consultant, Consultant's employee(s), and/or subcontractor(s).

10. [Reserved]

11. **Deliverables.** Consultant understands and agrees that all matters produced under this Agreement shall become the property of District and cannot be used without District's express written permission.

12. **Audit.** Consultant shall establish and maintain books, records, and systems of account, in accordance with generally accepted accounting principles, reflecting all business operations of Consultant transacted under this Agreement. Consultant shall retain these books, records, and systems of account during the Term of this Agreement and for five (5) years thereafter. Consultant shall permit District, its agent, other representatives, or an independent auditor to audit, examine, and make excerpts, copies, and transcripts from all books and records, and to make audit(s) of all billing statements, invoices, records, and other data related to the Services covered by this Agreement. Audit(s) may be performed at any time, provided that District shall give reasonable prior notice to Consultant and shall conduct audit(s) during Consultant's normal business hours, unless Consultant otherwise consents.

13. **Disputes.** In the event of a dispute between the Parties as to performance of the Services, the interpretation of this Agreement, or payment or nonpayment for work performed or not performed, the parties shall attempt to resolve the dispute in good faith. Pending resolution of the dispute, Consultant agrees it will neither rescind the Agreement nor stop the performance of the Services but will allow determination by the court of the State of California, in the county in which District's administration office is located, having competent jurisdiction of the dispute. Disputes may be determined by mediation if mutually agreeable, otherwise by litigation. Notice of the demand for mediation of a dispute shall be filed in writing with the other party to the Agreement. The demand for mediation shall be made within a reasonable time after written notice of the dispute has been provided to the other party, but in no case longer than ninety (90) days after initial written notice. If a claim, or any portion thereof, remains in dispute upon satisfaction of all applicable dispute resolution requirements, Consultant shall comply with all claims

presentation requirements as provided in Chapter 1 (commencing with section 900) and Chapter 2 (commencing with section 910) of Part 3 of Division 3.6 of Title 1 of Government Code as a condition precedent to Consultant's right to bring a civil action against District.

14. **Attorney Fees/Costs.** Should litigation be necessary to enforce any terms or provisions of this Agreement, then each Party shall bear its own litigation and collection expenses, witness fees, court costs and attorney's fees.

15. **Termination.**

15.1. **For Convenience by District.** District may, at any time, with or without reason, terminate this Agreement for its own convenience and compensate Consultant only for services satisfactorily rendered to the date of termination. Written notice by District shall be sufficient to stop further performance of services by Consultant. Notice shall be deemed given when received by Consultant or no later than three (3) days after the day of mailing, whichever is sooner.

15.2. **With Cause by District.** District may terminate this Agreement upon giving of written notice of intention to terminate for cause. Cause shall include:

15.2.1. material violation of this Agreement by Consultant; or

15.2.2. any act by Consultant exposing District to liability to others for personal injury or property damage; or

15.2.3. Consultant is adjudged as bankrupt, Consultant makes a general assignment for the benefit of creditors, or a receiver is appointed on account of Consultant's insolvency.

Written notice by District shall contain the reasons for such intention to terminate. Unless within three (3) calendar days after that notice the condition or violation shall cease, or satisfactory arrangements for the correction thereof be made, this Agreement shall upon the expiration of the three (3) calendar days cease and terminate. In the event of termination for cause, District may secure the required services from another Consultant. If expenses, fees, and/or costs to District exceed the cost of providing the service pursuant to this Agreement, Consultant shall immediately pay the excess expenses, fees, and/or costs to District upon the receipt of District's notice of these expenses, fees, and/or costs. The foregoing provisions are in addition to and not a limitation of any other rights or remedies available to District.

15.3. Upon termination, Consultant shall provide the District with all documents produced, maintained or collected by Consultant pursuant to this Agreement, whether or not such documents are final or draft documents.

16. **Indemnification.**

16.1. To the furthest extent permitted by California law, Consultant shall indemnify and hold harmless District, its Board of Trustees, agents, representatives, officers, consultants, employees, trustees, and volunteers (the "Indemnified Parties") from any and all claims arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of Consultant ("Claim"). Consultant shall, to the furthest extent permitted by California law, defend the Indemnified Parties at

Consultant's own expense, including attorneys' fees and costs, from any and all Claim(s) and allegations relating thereto. District shall have the right to accept or reject any legal representation that Consultant proposes to defend the Indemnified Parties.

- 16.2. Consultant shall pay and satisfy any judgment, award, or decree that may be rendered against the Indemnified Parties in any Claim, subject to section 16.1 above. Consultant's obligation pursuant to this Section includes reimbursing District for the cost of any settlement paid by the Indemnified Parties and for any and all fees and costs, including but not limited to legal fees and costs, expert witness fees, and consultant fees, incurred by the Indemnified Parties in the defense of any Claim(s) and to enforce the indemnity herein, subject to section 16.1 above. Consultant's obligation to indemnify shall not be restricted to insurance proceeds.
- 16.3. District may withhold any and all costs that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant from amounts owing to Consultant.

17. Insurance.

- 17.1. **Coverage.** Consultant shall procure and maintain at all times it performs any portion of the Services the following insurance with minimum limits equal to the amount indicated below.

TYPE OF COVERAGE	MINIMUM REQUIREMENT
Commercial General Liability Insurance , including Bodily Injury, Personal Injury, Property Damage, Advertising Injury, and Medical Payments	
Each Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000
Products Completed Operations Aggregate	\$ 1,000,000
Automobile Liability Insurance - Any Auto	
Combined Single Limit	\$ 1,000,000
Professional Liability	
Per Claim	\$ 2,000,000
General Aggregate	\$ 2,000,000
Workers' Compensation	Statutory Limits
Employer's Liability , per accident for bodily injury or disease	\$ 1,000,000

- 17.1.1. **Commercial General Liability and Automobile Liability Insurance.** Commercial General Liability Insurance and Any Auto Liability Insurance that shall protect Consultant, District, and the State from all claims of bodily injury, property damage, personal injury, death, advertising injury, and medical payments arising out of performing any portion of the Services. (Form CG 0001 and CA 0001, or forms substantially similar, if approved by District.)
- 17.1.2. **Workers' Compensation and Employer's Liability Insurance.** Workers' Compensation Insurance and Employer's Liability Insurance for all of its employees performing any portion of the Services. In accordance with provisions of section 3700 of the California Labor Code, Consultant shall be required to secure workers' compensation coverage for its employees. The

Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of District for all work performed by Consultant, its employees, agents and subcontractors. If any class of employee or employees engaged in performing any portion of the Services under this Agreement are not protected under the Workers' Compensation Statute, adequate insurance coverage for the protection of any employee(s) not otherwise protected must be obtained before any of those employee(s) commence performing any portion of the Services.

- 17.1.3. **Professional Liability (Errors and Omissions).** Professional Liability Insurance as appropriate to Consultant's profession, coverage to continue through completion of construction plus five (5) years thereafter.
- 17.2. **Proof of Carriage of Insurance.** Consultant shall not commence performing any portion of the Services until all required insurance has been obtained and certificates indicating the required coverage have been delivered in duplicate to District and approved by District. Certificates and insurance policies shall include the following:
 - 17.2.1. Language stating in particular those insured, extent of insurance, location and operation to which insurance applies, expiration date, to whom cancellation and reduction notice will be sent, and length of notice period.
 - 17.2.2. A clause stating: "This policy shall not be canceled or reduced in required limits of liability or amounts of insurance until notice has been mailed to District, stating date of cancellation or reduction. Date of cancellation or reduction shall not be less than thirty (30) days after date of mailing notice."
 - 17.2.3. An endorsement stating that District and its Board of Trustees, agents, representatives, employees, trustees, officers, consultants, and volunteers are named additional insureds under all policies except Workers' Compensation Insurance, Professional Liability, and Employer's Liability Insurance.
 - 17.2.4. An endorsement stating that Consultant's insurance policies shall be primary to any insurance or self-insurance maintained by District.
 - 17.2.5. An endorsement stating that there shall be a waiver of any subrogation.
 - 17.2.6. Consultant's insurance limit shall apply separately to each insured against whom a claim is made or suit is brought.
 - 17.2.7. All policies except the Professional Liability, Workers' Compensation Insurance, and Employer's Liability Insurance Policies shall be written on an occurrence form.
 - 17.2.8. Insurance written on a "claims made" basis shall be retroactive to a date that coincides with or precedes Consultant's commencement of Work, including subsequent policies purchased as renewals or replacements.
- 17.3. **Acceptability of Insurers.** Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to District.

17.4. If Consultant normally carries insurance in an amount greater than the minimum amounts required herein, that greater amount shall become the minimum required amount of insurance for purposes of the Agreement. Therefore, Consultant hereby acknowledges and agrees that all insurance carried by it shall be deemed liability coverage for all actions it performs in connection with the Agreement.

18. **Limitation of District Liability.** Other than as provided in this Agreement, District's financial obligations under this Agreement shall be limited to the payment of the compensation provided in this Agreement. Notwithstanding any other provision of this Agreement, in no event, shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement for the services performed in connection with this Agreement.

19. **Compliance with Laws.** Consultant shall observe and comply with all rules and regulations of the District's Board of Trustees and all federal, state, and local laws, ordinances and regulations. Consultant shall give all notices required by any law, ordinance, rule and regulation bearing on conduct of the Services as indicated or specified. If Consultant observes that any of the Services required by this Agreement are at variance with any such laws, ordinances, rules or regulations, Consultant shall notify District, in writing, and, at the sole option of District, any necessary changes to the scope of the Services shall be made and this Agreement shall be appropriately amended in writing, or this Agreement shall be terminated effective upon Consultant's receipt of a written termination notice from District. If Consultant performs any Services that are in violation of any laws, ordinances, rules or regulations, without first notifying District of the violation, Consultant shall bear all costs arising therefrom.

19.1. **Labor Code Requirements:** If relevant to this Agreement's Services, Consultant shall comply with all applicable provisions of the California Labor Code, Division 3, Part 7, Chapter 1, Articles 1 – 5, including, without limitation, the payment of the general prevailing per diem wage rates for public work projects of more than one thousand dollars (\$1,000). Copies of the prevailing rate of per diem wages are on file with District.

19.1.1. **DIR Registration Verification:** If applicable, before a public works contract can be awarded, Consultant and its subcontractor(s) shall be registered with the Department of Industrial Relations in accordance with Labor Code section 1771.1. At least one week before commencing work, Consultant shall provide to District the name and DIR registration number for Consultant and any applicable subcontractor.

19.1.2. **Certified Payroll Records:** If applicable, Consultant and its subcontractor(s) shall keep accurate certified payroll records ("CPRs") of workers and shall electronically submit CPRs directly to the Department of Industrial Relations no less than every thirty (30) days while Work is being performed and within thirty (30) days after the final day of Work performed on the Project. Within ten (10) days of any written request by the District, Consultant and its subcontractors shall provide CPRs. If Consultant or its subcontractors fail to comply within the 10-day period, District shall notify the Labor Commissioner, who may request penalties be withheld from progress payments then due.

19.1.3. **Labor Compliance:** Consultant shall perform the Services of the Project while complying with all the applicable regulations, including section 16000, et seq., of Title 8 of the California Code of Regulations and is subject to labor compliance monitoring and enforcement by the Department of Industrial Relations.

20. **Anti-Discrimination.** It is the policy of District that in connection with all work performed under contracts there be no discrimination against any employee engaged in the work because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, reproductive health decision-making, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or veteran or military status and therefore Consultant agrees to comply with applicable Federal and California laws including, but not limited to the California Fair Employment and Housing Act beginning with Government Code Section 12900 and Labor Code Section 1735 and District policy. In addition, Consultant agrees to require like compliance by all of its subcontractor(s).

21. **[Reserved]**

22. **Notice.** Any notice required or permitted to be given under this Agreement shall be deemed to have been given, served, and received if given in writing and either personally delivered or deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, or sent by overnight delivery service, or electronic mail, addressed as follows:

District:

Buena Park Library District
ATTN: Helen Medina, Library Director
Temporary Address: 7300 La Palma Ave,
Bldg 10 / Buena Park, CA 90620
hmedina@buenaparklibrary.org

Consultant:

A-Tech Consulting, Inc.
ATTN: Joseph Williams, CAC, CDPH I/A
1640 North Batavia Street
Orange, CA 92867
Email: _____

Any notice personally given or sent by electronic mail shall be effective upon receipt. Any notice sent by overnight delivery service shall be effective the business day next following delivery thereof to the overnight delivery service. Any notice given by mail shall be effective three (3) days after deposit in the United States mail.

23. **Assignment.** The obligations of Consultant pursuant to this Agreement shall not be assigned by Consultant. Any such assignment shall be null and void.

24. **Integration/Entire Agreement of Parties.** This Agreement constitutes the entire agreement between the Parties and supersedes all prior discussions, negotiations, and agreements, whether oral or written. This Agreement may be amended or modified only by a written instrument executed by both Parties.

25. **Amendments, Changes and Modifications.** This Agreement may not be amended, changed, modified, altered or terminated without the written agreement of both Parties hereto.

26. **No Rights in Third Parties.** This Agreement does not create any rights in, or inure to the benefit of, any third party except as expressly provided herein.

27. **Governing Law.** This Agreement shall be governed by and the rights, duties and obligations of the Parties shall be determined and enforced in accordance with the laws of the State of California. The Parties further agree that any action or proceeding brought to enforce the terms and conditions of this Agreement shall be maintained in the county in which District's administrative offices are located.
28. **Waiver.** The waiver by either Party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.
29. **Severability.** If any term, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force and effect, and shall not be affected, impaired or invalidated in any way.
30. **Provisions Required By Law Deemed Inserted.** Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein and this Agreement shall be read and enforced as though it were included therein.
31. **Authority to Bind Parties.** Neither Party in the performance of any and all duties under this Agreement, except as otherwise provided in this Agreement, has any authority to bind the other to any agreements or undertakings.
32. **Tolling of District's Claims.** Consultant agrees to toll all statutes of limitations for District's assertion of claims against Consultant that arise out of, pertain to, or relate to contractors' or subcontractors' claims against District involving Consultant's services under this Agreement, until the contractors' or subcontractors' claims are finally resolved.
33. **Captions and Interpretations.** Paragraph headings in this Agreement are used solely for convenience, and shall be wholly disregarded in the construction of this Agreement. No provision of this Agreement shall be interpreted for or against a Party because that party or its legal representative drafted such provision, and this Agreement shall be construed as if jointly prepared by the Parties.
34. **Calculation of Time.** For the purposes of this Agreement, "days" refers to calendar days unless otherwise specified.
35. **Signature Authority.** Each Party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each Party has been properly authorized and empowered to enter into this Agreement.
36. **Execution of Other Documents.** The Parties to the Agreement shall cooperate fully in the execution of any and all other documents and in the completion of any additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of this Agreement.
37. **Counterparts.** This Agreement may be executed in one or more counterparts, and all counterparts together shall be construed as one document. A facsimile or electronic signature shall be deemed to be the equivalent of the actual original signature. All counterparts so executed shall constitute one Agreement binding all the Parties hereto.

38. Incorporation of Recitals and Exhibits. The Recitals and each exhibit attached hereto are hereby incorporated herein by reference.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date indicated below.

Dated: _____, 2026

Dated: _____, 2026

Buena Park Library District

A-Tech Consulting, Inc.

Signed By: _____

Signed By: _____

Print Name: _____

Print Name: _____

Print Title: _____

Print Title: _____

Information regarding Consultant:

License No.: _____

Employer Identification and/or
Social Security Number

Address: _____

Telephone: _____

Facsimile: _____

E-Mail: _____

Type of Business Entity:

- ☐ Individual
☐ Sole Proprietorship
☐ Partnership
☐ Limited Partnership
☐ Corporation, State: _____
☐ Limited Liability Company
☐ Other: _____

NOTE: Section 6041 of the Internal Revenue Code (26 U.S.C. 6041) and Section 1.6041-1 of Title 26 of the Code of Federal Regulations (26 C.F.R. 1.6041-1) require the recipients of \$600.00 or more to furnish their taxpayer information to the payer. In order to comply with these requirements, District requires Consultant to furnish the information requested in this section.

EXHIBIT A
DESCRIPTION OF SERVICES TO BE PERFORMED BY CONSULTANT

Consultant's duties and services under this Agreement shall not include preparing or assisting the District with any portion of the District's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the District. The District shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this Project. Consultant's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. Consultant shall cooperate with the District to ensure that all bidders for a subsequent contract on any subsequent phase of this Project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by Consultant pursuant to this Agreement.

LIMITED ASBESTOS ASSESSMENT

- This assessment will satisfy all the requirements of a pre-renovation assessment, in accordance with Cal-OSHA Rule Title 8 CCR 1529 and NESHAP/SCAQMD Rule 1403, as it pertains to this project only.
- Inspection of the above-mentioned areas and bulk sampling of suspect asbestos-containing materials (ACM) by a state certified asbestos consultant or certified site surveillance technician (CAC or CSST), utilizing AHERA sampling protocols. We will need access to all locations.
- Analysis of suspect ACM samples by a NVLAP accredited laboratory, utilizing Polarized Light Microscopy (PLM) with dispersion staining, in accordance with current regulatory requirements. Sample analysis is based on 5-Day laboratory analysis.
- Review of any proposed renovation plans, if available.
- Report preparation including sample locations, friability evaluations and remedial recommendations.

LIMITED XRF-LEAD ASSESSMENT

- Inspection of the above-mentioned areas and X-Ray Florescence (XRF) of all painted surfaces, ceramic and porcelain components by a CDPH Certified Inspector/Assessor, utilizing Cal-OSHA's and HUD sampling protocols. We will need access to all locations.
- Analysis of suspect components, which are inconclusive via XRF analysis. Samples will be analyzed by an AIHA accredited laboratory, utilizing Flame Atomic Absorption (AAS) and/or Total Threshold Limit Concentration (TTLC), in accordance with current regulatory requirements.
- Review of proposed renovation plans, if available.
- Report preparation including sample locations, condition evaluations and abatement/stabilization recommendations.

[CONTINUES ON NEXT PAGE]

ASBESTOS PROJECT MONITORING

- Full-time, on-site project observation of the project by a Cal-OSHA certified asbestos CSST or CAC, as required by law.
- Provide on-site air analysis (set up microscope on-site) per regulated area upon completion of removal and ensure that no fibers migrate from regulated areas.
- Air sample analysis to be performed by a NIOSH 582 Equivalency certified microscopist.
- Background, General and Clearance air sampling, in accordance with EPA protocols and analyzed by Phase Contrast Microscopy (PCM) using NIOSH 7400 "A" counting rules.
- Review and verification of asbestos abatement contractor's pre-project submittals (e.g. certifications, medical surveillance, SDS, respiratory protection plan, safety minutes, etc.) and act as a liaison between regulatory agencies, contractors and client.
- Closeout documentation detailing all abatement, monitoring and clearance results including air monitoring report and a clearance certificate.

LEAD PROJECT MONITORING

- Full-time, on-site project observation during all phases of the project by a CDPH-Certified Project Monitor, as required by law. Sampling Technician is unacceptable.
- Verification of contractor's pre-project submittals (e.g. CDPH notification Form 8551, certifications, medicals, SDS, respiratory protection plan, safety minutes, etc.).
- Clearance wipe sampling in accordance with regulatory protocols and analyzed by Absorption Spectrometry (AAS). Sample analysis will be based on 3 Hour Rush laboratory analysis.
- Final clearance documentation including a clearance letter, sample logs and laboratory report.

ASBESTOS CLEARANCE

- Clearance air sampling, in accordance with EPA protocols and analyzed by Phase Contrast Microscopy (PCM) by a Cal-OSHA certified asbestos CSST or CAC, as required by law.
- Provide site air analysis (set up microscope on-site) per containment upon completion of removal.
- Air sample analysis to be performed by a NIOSH 582 Equivalency certified microscopist.
- Clearance air sampling, in accordance with EPA protocols and analyzed by Phase Contrast Microscopy (PCM), using NIOSH 7400 "A" counting rules.
- Clearance documentation including a clearance letter and air sampling logs.

LEAD CLEARANCE

- Lead wipe clearance sampling, conducted by a CDPH-Certified Inspector/Assessor, as required by law.
- Lead wipe clearance sampling, in accordance with regulatory protocols and analyzed by Atomic Absorption Spectrometry (AAS). Lead wipe sampling results will be based on 3 Hour/24-Hour laboratory analysis.
- Clearance documentation including a clearance letter, a sample log and laboratory report.

[CONTINUES ON NEXT PAGE]

ASBESTOS PROCEDURE 5 WORK PLAN

- Development of work plan in accordance with SCAQMD's Rule 1403, Guidelines for Asbestos Site Clean-ups.
- Liaison with the remediation contractor, local Fire Department, and regulatory agencies (EPA/SCAQMD).
- Asbestos material(s) present at the site, its condition, type, amount, and specific location(s) within the site.
- Abatement project stages with dates and timelines.
- Provisions for site preparation and control, prevention of contamination migration, include ingress/egress zones.
- Engineering work practices and asbestos emission controls.
- Procedures for work area clean-up and/or decontamination after bulk removal.
- Provisions for handling, storing, transporting, and disposing of the asbestos containing waste.
- Air monitoring type and clearance level to be achieved.
- Type and amount of asbestos remaining on site (if any) to be removed or managed in place and by whom.

[END OF EXHIBIT]

**EXHIBIT B
HOURLY BILLING RATES**

PRICING

Based on the information gathered, the following professional consulting services are proposed:

LIMITED ASBESTOS & XRF-LEAD ASSESSMENT

Item	Price		Qty	Line Total
Principal Hygienist	\$180.00/Hour	X	2	\$360.00
Environmental Project Management	\$145.00/Hour	X	2	\$290.00
Certified Site Surveillance Technician (CSST) & CDPH Sampling Technician or Inspector/Assessor	\$120.00/Hour	X	32	\$3,840.00
Asbestos Bulk (PLM) 5-Day Laboratory Analysis	\$25.00/Sample	X	100	\$2,500.00
XRF Sample Analysis	\$535.00/Day	X	1	\$535.00
Core Sampling Equipment Rental	\$600.00/Day	X	1	\$600.00
Report Preparation & Administrative	\$95.00/Hour	X	6	\$570.00
				Total: \$8,695.00

SCHEDULE

A-Tech anticipates completing all fieldwork by two (2) technicians within two (2) business days. Preliminary results will be available within five (5) business days from completion of all fieldwork and the interpretation of data and delivery of samples to the laboratory. The comprehensive report will be delivered within seven to ten (7-10) business days from receipt of analytical results.

[CONTINUES ON NEXT PAGE]

ASBESTOS & LEAD PROJECT MONITORING

Item	Price		Qty	Line Total
Project Monitoring (Monday - Friday)	\$1,200.00/Shift	X	30	\$36,000.00
				Total: \$36,000.00
				Project Total: \$44,695.00

OPTIONAL SERVICES

The following labor and materials may be added on to any presented service at the following rates:

Item	Price
Project Monitoring (Saturday)	\$1,400.00/Shift
Project Monitoring (Sunday)	\$1,600.00/Shift
PCM Clearance	\$600.00/Visit
Lead Clearance	\$600.00/Visit
Certified Industrial Hygienist (CIH)	\$240.00/Hour
Principal Hygienist	\$180.00/Hour
Environmental Project Manager	\$145.00/Hour
Environmental Technician	\$120.00/Hour
Report Preparation & Administrative	\$95.00/Hour
Asbestos Bulk (PLM) 3-Hour Laboratory Analysis	\$50.00/Sample
Asbestos Bulk (PLM) 24-Hour Laboratory Analysis	\$40.00/Sample
Asbestos Bulk (PLM) 5-Day Laboratory Analysis	\$25.00/Sample
Lead Wipe (AAS) 3-Hour Laboratory Analysis	\$80.00/Sample
Lead Wipe (AAS) 24-Hour Laboratory Analysis	\$31.00/Sample
XRF Sample Analysis	\$535.00/Day
Polycyclic Chlorinated Biphenyls (PCBs) Bulk/Liquid – 24-Hour Laboratory Analysis	\$240.00/Sample
Core Sampling Equipment Rental	\$600.00/Day
Procedure 5 Work Plan	\$980.00/Plan
Onsite Meeting	\$Included

PROJECT NOTES

- *A-Tech* will only invoice the exact number of samples analyzed for this project. Additional bulk sample collected and analyzed will be an additional \$25.00 per sample for a 5-Day laboratory analysis.
- Client shall provide access to all areas and any delay may result in an increased cost for testing.
- Client shall provide access to all areas above 12 feet from the ground. If *A-Tech* is required to rent a lift to access areas above 12' from the ground, this cost will be passed on to the client.
- This proposal does not include asbestos point count analysis.
 - Depending on the results of the asbestos bulk samples, point counting will be recommended, and a separate cost proposal will be provided for the point count analysis.
 - Point counting must be approved by the client, in writing, prior to the analysis.
 - Point counting must be approved within 10 days of receiving the verbal results.
- *A-Tech* will attempt to patch all roof sampling locations to the best of our ability; however, this is not a warranty-proof patch, and we are not held liable for any leaks resulting from a patch made by *A-Tech*. It is recommended to have a certified roofing contractor patch any roof/exterior sample locations.
- The above costs are based on current regulatory guidelines. The above cost does not reflect overtime and holiday rates.
- The exact number of shifts will be based on the abatement contractor's schedule for removal.
- *A-Tech* will invoice for the exact number of clearance visits completed during this project.
- *A-Tech* is not responsible for any failed clearances. Additional clearance visits will be billed accordingly.
- *A-Tech* will only invoice for the exact number of samples collected during this project.

[END OF EXHIBIT]

WORKERS' COMPENSATION CERTIFICATION

Labor Code Section 3700 provides, in relevant part:

Every employer except the State shall secure the payment of compensation in one or more of the following ways:

- By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this State.
- By securing from the Director of Industrial Relations a certificate of consent to self-insure, which may be given upon furnishing satisfactory proof to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to its employees.

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the Work of this Contract.

Date: _____

Name of Consultant: _____

Signature: _____

Print Name and Title: _____

(In accordance with Article 5 – commencing at Section 1860, Chapter 1, part 7, Division 2 of the Labor Code, the above certificate must be signed and filed with District prior to performing any Services under this Agreement.)

**PREVAILING WAGE AND
RELATED LABOR REQUIREMENTS CERTIFICATION**

I hereby certify that I will conform to the State of California Public Works Contract requirements regarding prevailing wages, benefits, on-site audits with 48-hours' notice, payroll records, and apprentice and trainee employment requirements, for all Work on the above Project including, without limitation, labor compliance monitoring and enforcement by the Department of Industrial Relations.

Date:

Name of Consultant:

Signature:

Print Name and Title:

DRAFT



FUTURE AGENDA ITEMS

Agenda preparation for the Regular Meeting which will be held on November 3, 2026, at 6:00 p.m. unless rescheduled by the Board of Library Trustees.

CLOSED SESSION

- 23. Public Employee Evaluation (Gov. Code § 54957(b)(1))
 - Employee: Library Director

ADJOURNMENT