

Date: August 28, 2017 (Monday)

Time: 6:30 p.m.

Place: City Council Chambers
350 North Valencia Blvd.
Woodlake, CA 93286

In compliance with the Americans with Disabilities Act and the California Ralph M. Brown Act, if you need special assistance to participate in this meeting, including auxiliary aids, translation requests, or other accommodations, or to be able to access this agenda and documents in the agenda packet, please contact City Hall at 559-564-8055 at least 3 days prior to the meeting.

The full agenda including staff reports and supporting materials are available at City Hall.

I. CALL TO ORDER & WELCOME

II. PLEDGE OF ALLEGIANCE

III. PUBLIC COMMENTS

This portion of the meeting is reserved for persons wishing to address the Council on items within its jurisdiction but not on this agenda. NOTE: Prior to action by the Council on any item on this agenda, the public may comment on that item. Unscheduled comments may be limited to 3 minutes.

All items on the Consent Agenda are considered to be routine and non-controversial by City staff and will be approved by one motion if no member of the Council or public wishes to comment or ask questions. Items pulled from the Calendar will be considered separately.

IV. CONSENT CALENDAR –ACTION AND INFORMATION ITEMS

Request Approval of the Consent Calendar Action Items (IV A-G)

- A. Action: Approval of Minutes of the regular meeting held on August 14, 2017 (Pages 1-5)
- B. Action: Approval of Minutes of the special meeting held on August 21, 2017 (Pages 6-7)
- C. Action: Approval of Warrants (Pages 8-41)
- D. Action: Adoption of Resolution: Approval of the July 2017 Monthly Report of Investments (Pages 42-44)
- E. Action: Adoption of Resolution: Continuation of the Proclamation of the Existence of a Local Drought Emergency for the City of Woodlake (Pages 45-49)
- F. Action: Adoption of Resolution: Reaffirm the Approval of Emergency Expenditures for the Development and Implementation of the City of Woodlake Well Project (Pages 50-53)
- G. Action: Adoption of Resolution: Approval of Exemption for the AutoZone Report (Pages 54-56)

V. ACTION/DISCUSSION ITEMS

- A. Information: Presentation by Mark Avedian with Avedian Properties
- B. Information: Status of the Woodlake Airport and Availability of Funding (Page 57)
- C. Action: Adoption of Resolution: Appoint Chuck Mann and Xavier Bocanegra to Fill Two Vacancies on the Woodlake Planning Commission Board (Pages 58-63)
- D. Action: Adoption of Resolution: Affirm, Modify or Deny Appeal from Mr. Cabrera (Pages 64-67)
- E. Action: Adoption of Resolution: 1) Authorize the Execution of an Amended and Restated Joint Exercise of Powers Agreement Relating to the Woodlake Public Financing Authority, 2) Approve New Debt Management Policy in Compliance With SB 1029, 3) Authorize Lease/Leaseback Financing and the Execution and Deliver of Certificates of Participation to Finance Community Center Project and Approving Related Documents and Actions, 4) Authorize and Provide for the Incurrence of Indebtedness for the Purpose of Providing a Portion of the Cost of Acquiring, Constructing, Enlarging, Improving and/or Extending its 2016 Community Center Facility to Serve an Area Lawfully Within (Pages 68-184)
- F. Action: Adoption of Resolution: Award the Chlorination, SCADA, and Sand Separator Project to the Lowest Responsible Bidder Brough Construction (Pages 185-188)
- G. Action: Adoption of Resolution: Approve the Abatement of a Public Nuisance at 472 Olive Ln.(Pages 189-194)

VI. OTHER BUSINESS

- A. Information: Items from Staff
- B. Information: Items from Council Members
- C. Request from Council Members for Future Agenda Items

VII. CLOSED SESSION

1. **PENDING LITIGATION** (Government Code § 54956.9). It is the intention of this governing body to meet in closed-session concerning:
 - Conference with legal counsel – **EXISTING LITIGATION** (Government Code § 54956.9(d)(1)).
 - Parties, case/claim no. City of Woodlake v. Garibay, Tulare County Case No. VCU263067
 - Case name unspecified because of jeopardy to settlement negotiations or service of process.
2. **PENDING LITIGATION** (Government Code § 54956.9). It is the intention of this governing body to meet in closed-session concerning:
 - Conference with legal counsel – **EXISTING LITIGATION** (Government Code § 54956.9(d)(1)).
 - Parties, case/claim no. City of Woodlake v. Woodlake Public Cemetery District, Tulare County Case No. VCU 267523

Case name unspecified because of jeopardy to settlement negotiations or service of process.

NOTICE TO THE PUBLIC

As provided in the Ralph M. Brown Act, Government Code sections 54950 et seq., the Governing Board may meet in closed session with members of its staff and its attorneys. These sessions are not open to the public and may not be attended by members of the public. The matters the Council will meet on in closed session are identified below or are those matters appropriately identified in open session as requiring immediate attention and arising after the posting of the agenda. Any public reports of action taken in the closed session will be made in accordance with Government Code sections 54957.1

“Documents: If distributed to the Council less than 72 hours before a regular meeting, any public records which are subject to public inspection and pertain to an open-session item on the regular meeting agenda shall be available at the following address at the time they are distributed to a majority of the Council: 350 North Valencia Boulevard, Woodlake, California 93286. Public records distributed to the Council at a public meeting will be available to the public at such meeting if they were prepared by the City.

Exemptions and details in Government Code § 54957.5 (a) shall apply.”

II. ADJOURN

The next scheduled City Council meeting will be held on Monday, September 11, 2017 at 6:30 p.m. at City Council Chambers located at 350 North Valencia Boulevard, Woodlake, CA 93286.

City Council:

Rudy Mendoza - Mayor

Frances Ortiz - Vice Mayor

Louie Lopez - Councilmember

Greg Gonzalez Jr. - Councilmember

Jose L. Martinez - Councilmember

PRESENT: Councilmembers Mendoza, Lopez & Martinez

OTHERS: Lara, Marquez, Waters, Diaz & Zacarias

ABSENT: Ortiz & G. Gonzalez Jr.

FLAG SALUTE

PUBLIC COMMENT – None

IV. CONSENT CALENDAR –ACTION AND INFORMATION ITEMS

Request Approval of the Consent Calendar Action Items (IV. A-F)

- A. Action: Approval of Minutes of the regular meeting held on July 24, 2017
- B. Action: Approval of Warrants
- C. Action: Adoption of Resolution: Authorize Staff to Purchase the Property with APN No. 061-200-041
- D. Action: Adoption of Resolution: Continuation of the Proclamation of the Existence of a Local Drought Emergency for the City of Woodlake
- E. Action: Adoption of Resolution: Reaffirm the Approval of Emergency Expenditures for the Development and Implementation of the City of Woodlake Well Project
- F. Action: Deny Claim for Damages from Adonis Serna dated July 24, 2017

Mayor Mendoza asked to pull Item's IV D & E because they need an 4/5's vote for approval.

ON A MOTION BY MARTINEZ, SECOND BY LOPEZ, IT WAS VOTED TO APPROVE THE CONSENT CALENDAR, EXCLUDING D & E. APPROVED UNANIMOUSLY.

V. ACTION/DISCUSSION ITEMS

- A. Action: Adoption of Resolution: Receive Public Comments, Waive 2nd Reading, Adopt Ordinances Removing, Amending or Adding Chapter 5.48 Cannabis Businesses, Chapter 8.50 Medical Marijuana, 8.51 Mobile Marijuana Dispensaries, Chapter 17.22.03 Neighborhood Commercial Conditional Uses, Chapter 17.24.03 Central Commercial Conditional Uses, 17.24.04 Central Commercial Prohibited Uses, and Chapter 17.32.04 Light Industrial Conditional Uses of the Woodlake Municipal Code
City Employee Waters reported the City is introducing the following ordinances:
Chapter 5.48 Cannabis Businesses - The provisions of this ordinance will repeal **Chapter 8.50 Medical Marijuana** and **8.51 Mobile Marijuana Dispensaries** and create new guidelines for cannabis operations and sales within the City of Woodlake. The ordinance also establishes a process by which entities can apply for cannabis licenses within the City of Woodlake.
Chapter 17.22.03 Neighborhood Commercial Conditional Uses - The provisions of this ordinance are intended to add "Cannabis Dispensary" as a conditional use within the Neighborhood Commercial zone.
Chapter 17.24.03 Central Commercial Conditional Uses - The provisions of this ordinance are intended to add "Cannabis Dispensary" as a conditional use within the Central Commercial zone.
Chapter 17.24.04 Central Commercial Prohibited Uses - The provisions of this ordinance are intended to remove "Marijuana Dispensaries" as a prohibited use within the Central Commercial zone.

Chapter 17.32.04 Light Industrial Conditional Uses - The provisions of this ordinance are intended to add “Commercial Cannabis Businesses” as a conditional use within the Light Industrial zone.

The purpose of this public hearing is to give citizens an opportunity to make their comments known regarding the proposed amendments and/or additions to the ordinances listed above. The City of Woodlake Planning Commission has reviewed the proposed amendments and has recommended approval. The first reading for the proposed ordinances took place at the July 24th City Council meeting. City staff recommends that City Council Receive Public Comments, Waive 2nd Reading, Adopt Ordinances Removing, Amending or Adding Chapter 5.48 Cannabis Businesses, Chapter 8.50 Medical Marijuana, 8.51 Mobile Marijuana Dispensaries, Chapter 17.22.03 Neighborhood Commercial Conditional Uses, Chapter 17.24.03 Central Commercial Conditional Uses, 17.24.04 Central Commercial Prohibited Uses, and Chapter 17.32.04 Light Industrial Conditional Uses of the Woodlake Municipal Code.

PUBLIC COMMENT OPEN 6:42 PM

Steve Riggs, 669 Cypress, Woodlake – Mr. Riggs stated he will be applying to have a cultivation shop in Woodlake.

PUBLIC COMMENT CLOSED 6:45 PM

ON A MOTION BY MARTINEZ, SECOND BY LOPEZ IT WAS VOTED TO ADOPT THE RESOLUTION AND ADOPT ORDINANCES AS ADDED OR AMENDED. APPROVED UNANIMOUSLY.

- B. Action: Adoption of Resolution: Receive Public Comments, Waive 2nd Reading, and Adopt Ordinances Amending Chapter 13.12 Water Conservation Regulations, Chapter 6.08 Animals Generally, and Chapter 6.12 Supplemental Dog Control Regulations of the Woodlake Municipal Code

PUBLIC HEARING

City Employee Waters reported the City is undergoing a review of local ordinances to see if there is need for revisions and reported the following:

Chapter 13.12 Water Conservation Regulations – The City of Woodlake is proposing to update the allowed outdoor irrigation of vegetation time for Water Conservation Stage 3 and for Water Conservation Stage 4.

Chapter 6.08 Animals Generally – The City of Woodlake is proposing to update the allowed number animals requiring twenty-five feet minimum distance from other dwellings.

Chapter 6.12 Supplemental Dog Control Regulations – The City of Woodlake is proposing to update the supplemental dog control regulations for owner responsibility to limit dogs per dwelling.

At the July 10th City Council meeting, two public comments addressed the outdoor irrigation of vegetation times for Stage 3 and Stage 4 water conservation stages. The current allowed watering time between 8pm and 6am was a burden to the residents which expressed their challenges during the public comment. Upon reviewing other city’s allowed watering times for water conservation stages, allowing from 6pm to 8am is being presented as a potential amendment to the water conservation ordinance. The Animals Generally 6.08 currently allows for up to twenty-four (24) chicken, ducks, geese, turkeys, rabbits, pigeons, or other fowls if these animals are maintained on a premise. With the number of chickens specifically which are running at large on public property and unmaintained on private property, there could be benefit in reducing the number count of these animals allowed on a city residence. The Supplemental Dog Control Regulations 6.12 does not currently have a limit on number of dogs allowed per residence. Cities like Exeter and Visalia, among many others in the state, allow for up to four (4) dogs total per residence. With the number of strays in the City, and with

the poor maintenance and care of homes with an excess of dogs, being able to limit the number legally allowed per residence can help alleviate the stray dog issue and help promote better living conditions for dogs overall. The purpose of this public hearing is to give citizens an opportunity to make their comments known regarding the proposed amendments and/or additions to the ordinances listed above. The first reading for the proposed ordinances took place at the July 24th City Council meeting. City staff recommends that City Council Receive Public Comments, Waive 2nd Reading, and Adopt Ordinances Amending Chapter 13.12 Water Conservation Regulations, Chapter 6.08 Animals Generally, and Chapter 6.12 Supplemental Dog Control Regulations of the Woodlake Municipal Code.

PUBLIC HEARING OPENED: 6:47 PM

Steve Riggs, 669 Cypress, Woodlake – Mr. Riggs was happy to see these amendments because he has had to deal with neighbors with roosters.

PUBLIC HEARING CLOSED: 6:49 PM

ON A MOTION BY LOPEZ, SECOND BY MARTINEZ IT WAS VOTED TO ADOPT THE RESOLUTION AND ADOPT THE AMENDED ORDINANCES. APPROVED UNANIMOUSLY.

- C. Action: Adoption of Resolution: Accept the Request for the Termination of the Agreement Between Woodlake Pride and the City of Woodlake

City Administrator Lara reported the following: since 2001 Woodlake Pride and the City of Woodlake have had an agreement in place that allows Woodlake Pride to run the Woodlake Botanical Garden on City of Woodlake and Wutchumna Water Company property. The garden has become a great attraction and an asset to the City of Woodlake, its residents and the surrounding communities. On July 13, 2017, the Woodlake Pride Board of Directors voted unanimously to terminate the agreement between Woodlake Pride and the City of Woodlake. Correspondence regarding that decision is attached as Attachment No. 1. In Attachment No.1, Woodlake Pride staff writes that they have begun the process of cleaning up the site and will be transferring maintenance of the garden back over to the City. To honor the request made by Woodlake Pride the City has begun the process of preparing to take over maintenance of the garden with City staff. The City understands that the garden is an asset to the residents of Woodlake and will make sure to maintain the garden so that it may be enjoyed for years to come. The City will also work with those that wish to continue working at the garden and volunteering their time and resources.

ON A MOTION BY MARTINEZ, SECOND BY LOPEZ IT WAS VOTED TO ADOPT THE RESOLUTION ACCEPT THE REQUEST FOR TERMINATION OF THE AGREEMENT. APPROVED UNANIMOUSLY.

- D. Action: Adoption of Resolution: Approve the Agreement Between the Wutchumna Water Company and the City of Woodlake for the Discharge of City Storm Water

City Administrator Lara reported the following: the Wutchumna Water Company's Bravo Lake-Wutchumna Ditch system has assisted the City in disposing of storm waters and other miscellaneous occurring surface waters from within its boundaries as set forth in the City of Woodlake Storm Drain System Master Plan. The Wutchumna Water Company and City of Woodlake's agreement that allows the discharge of storm waters into the Wutchumna Water Company's system has expired. The two entities have been working for months on a mutually beneficial agreement that will allow the continued use of Wutchumna's system by the City. The agreement would expire February 28, 2021 but could continue in five year intervals if both entities mutually agreed to do so. The agreement is attached for review. Staff recommends that Council approve the agreement between the Wutchumna Water Company and the City of Woodlake for the continued discharging of City storm water into Wutchumna's system.

ON A MOTION BY LOPEZ, SECOND BY MARTINEZ, IT WAS VOTED TO ADOPT THE RESOLUTION AND APPROVE THE AGREEMENT BETWEEN WUTCHUMNA WATER COMPANY AND THE CITY OF WOODLAKE. APPROVED UNANIMOUSLY.

- E. Action: Adoption of Resolution: Approve the Agreements Between the City of Woodlake and Wutchumna Water Company and Sentinel Butte Mutual Water Company to Include Wutchumna and Sentinel Butte Properties Within the Greater Kaweah GSA

City Employee Waters reported the following: the Sustainable Groundwater Management Act requires all local agencies to be part of a Groundwater Sustainability Agency. As part of the GSA process the City needed to establish our service area to include within the Greater Kaweah GSA. The City requested to include the entirety of the City's service area with the GSA boundaries. Initially, Wutchumna Water Company investigated the possibility of including Bravo Lake, which is within City Limits, to be included in the East Kaweah GSA. Sentinel Butte Water Company also investigated the possibility of having their property including in the East Kaweah GSA. The City's position has been to keep the entirety of the City and its service areas within the jurisdiction of the Greater Kaweah GSA. The attached resolution would approve an agreement with Wutchumna Water Company and Sentinel Butte Mutual Water Company that would require the inclusion of Bravo Lake and properties owned by Wutchumna Water Company that are within City Limits to be included within the Greater Kaweah GSA. The agreement also commits the City to work with Wutchumna and Sentinel Butte as GSA regulations are being established. Staff recommends that the City Council approve the agreements between the City of Woodlake and Wutchumna Water Company and Sentinel Butte Mutual Water Company

ON A MOTION BY MARTINEZ, SECOND BY LOPEZ IT WAS VOTED TO ADOPT THE RESOLUTION AND APPROVE THE AGREEMENTS. APPROVED UNANIMOUSLY.

VI. OTHER BUSINESS

- A. Information: Items from Staff

City Administrator Lara – Reported a contractor had been selected for the community center but the decision was challenged and was being reviewed by the city attorney.

Chief Marquez – Reported the first day of school is August 22nd and officers will be out on traffic safety and notices will be posted to social media.

- B. Information: Items from Council

Mayor Mendoza – Reported a Thank You card was sent to the city to thank everyone for the beautiful Botanical Gardens.

- C. Request from Council Members for Future Agenda Items

VII. CLOSED SESSION

1. **PENDING LITIGATION** (Government Code § 54956.9). It is the intention of this governing body to meet in closed-session concerning:

Conference with legal counsel – **EXISTING LITIGATION** (Government Code § 54956.9(d)(1)).

Parties, case/claim no. City of Woodlake v. Garibay, Tulare County Case No. VCU263067

Case name unspecified because of jeopardy to settlement negotiations or service of process.

2. **PENDING LITIGATION** (Government Code § 54956.9). It is the intention of this governing body to meet in closed-session concerning:

Conference with legal counsel – **EXISTING LITIGATION** (Government Code § 54956.9(d)(1)).

- Parties, case/claim no. City of Woodlake v. Woodlake Public Cemetery District, Tulare County Case No. VCU 267523
- Case name unspecified because of jeopardy to settlement negotiations or service of process.

City Administrator Lara reported there was nothing to discuss in Closed Session.

NOTICE TO THE PUBLIC

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VIII. ADJOURN

The next scheduled City Council meeting will be held on Monday, August 28, 2017 at 6:30 p.m. at City Council Chambers located at 350 North Valencia Boulevard, Woodlake, CA 93286.

City Council:

Rudy Mendoza - Mayor

Frances Ortiz - Vice Mayor

Louie Lopez - Councilmember

Greg Gonzalez Jr. - Councilmember

Jose L. Martinez - Councilmember

Meeting adjourned at 6:56 PM

Submitted by,

Irene Zacarias
City Clerk

PRESENT: Councilmembers Mendoza, Ortiz, Lopez & Martinez

OTHERS: Lara

ABSENT: G. Gonzalez Jr.

FLAG SALUTE

PUBLIC COMMENT - None

IV. ACTION/DISCUSSION ITEMS

A. Action: Adoption of Resolution: Award the Construction of the City of Woodlake Community Center to the Lowest Responsive Bidder, Klassen Corporation
City Administrator Lara reported the following: at the April 27, 2015 City Council Meeting, Council authorized staff to enter into an agreement with the Woodlake Lions Club which allowed the City to acquire property that would allow the City to build the Woodlake Plaza and the Woodlake Community Center. Staff received authorization from Council to apply for a USDA loan to build the Community Center at the August 10, 2015 City Council Meeting. Council authorized Staff to put the project out to bid on May 22, 2017. On May 22, 2017 by Resolution No. 17-53, Council authorized staff to put out to bid the construction of the City of Woodlake Community Center Project. The project will be funded with a USDA loan to be paid by with local funds. The project will be used as a senior center, recreational facility, chambers and water/sewer staff offices.

The bid opening for the project was held August 8, 2017, in the Council Chambers. Below are the base bids in order from lowest to highest:

- Klassen Corporation \$ 3,914,872.00
- Marko Construction Inc. \$ 4,046,737.00
- Bush Construction \$ 4,140,000.00
- Oral E Micham Inc. \$ 4,284,243.00
- Simile Construction \$ 4,358,000.00

The amounts listed above are the base bids for the project and do not include additional work that the City may choose to include. The cost of any additional work will be negotiated with the consultant. The City received a formal protest from Oral E Micham Inc. regarding incomplete information on other bids submitted for the project. Klassen Corporation and some of the other bidders did not submit their subconsultant license and DIR numbers for their subcontractors and/or did not list the percentage of work that each subcontractor would complete. The City Attorney reviewed the protest and determined the acceptability of the bids. Klassen Corporation's bid was deemed acceptable. The project will be funded via the General Fund, Water Fund, Sewer Fund, and a \$3,000,000 USDA loan to be repaid via the General Fund. Mayor Mendoza stated he was happy to see the project starting soon. A representative from Klassen stated they are excited and ready to be working with the City of Woodlake.

ON A MOTION BY ORTIZ, SECOND BY LOPEZ IT WAS VOTED TO ADOPT THE RESOLUTION AND AWARD THE COMMUNITY CENTER TO KLASSEN. APPROVED UNANIMOUSLY.

VI. OTHER BUSINESS

- A. Information: Items from Staff - None
- C. Request from Council Members for Future Agenda Items - None

VII. CLOSED SESSION

NOTICE TO THE PUBLIC

As provided in the Ralph M. Brown Act, Government Code sections 54950 et seq., the Governing Board may meet in closed session with members of its staff and its attorneys. These sessions are not open to the public and may not be attended by members of the public. The matters the Council will meet on in closed session are identified below or are those matters appropriately identified in open session as requiring immediate attention and arising after the posting of the agenda. Any public reports of action taken in the closed session will be made in accordance with Government Code sections 54957.1 “Documents: If distributed to the Council less than 72 hours before a regular meeting, any public records which are subject to public inspection and pertain to an open-session item on the regular meeting agenda shall be available at the following address at the time they are distributed to a majority of the Council: 350 North Valencia Boulevard, Woodlake, California 93286. Public records distributed to the Council at a public meeting will be available to the public at such meeting if they were prepared by the City. Exemptions and details in Government Code § 54957.5 (a) shall apply.”

VIII. ADJOURN

The next scheduled City Council meeting will be held on Monday, August 28 7:00 pm, 2017 at 6:30 p.m. at City Council Chambers located at 350 North Valencia Boulevard, Woodlake, CA 93286.

City Council:

Rudy Mendoza - Mayor
Frances Ortiz - Vice Mayor
Louie Lopez - Councilmember
Greg Gonzalez Jr. - Councilmember
Jose L. Martinez - Councilmember

Meeting adjourned at 6:45 PM
Submitted by,

Ramon Lara, Acting City Clerk
City Clerk

City of Woodlake
Summary of Disbursements and Payroll
City Council Meeting : August 28, 2017

PAYROLL

07/21/2017 (City)	\$48,624.33
07/07/2017 (Fire)	\$9,202.85

Gross Payroll	\$57,827.18
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DISBURSMENTS / WARRANTS

8/24/2017	\$457,868.00
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\$0.00
 \$0.00

Total Disbursements	\$457,868.00
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WIRES

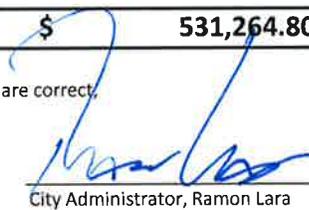
PAYROLL TAX WIRE	CITY	\$ 12,531.47
	FIRE	\$ 3,038.15

USDA - Water Loan
 USDA - Sewer Loan
 USDA - Airport Loan
 USDA - Fire Truck Loan

Total Wire Amount Sent Out	\$ 15,569.62
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Amount to be Approved	\$ 531,264.80
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I, Ramon Lara, certify under penalty of perjury that the above listed accounts are correct, due and payable to the best of my knowledge.



 City Administrator, Ramon Lara

**Passed and adopted at a regular meeting of the City Council of the
 City of Woodlake on the 28th day of August 2017.
 by the following vote:**

Ayes:
Noes:
Absent:
Abstain:

 Mayor, Rudy Mendoza

 City Clerk, Irene Zacarias

PERIOD 2 DATING 7/02/2017- 7/15/2017 CHECK DATE 7/21/2017
DIRECT DEPOSIT IS TURNED ON

CHECK NUMBER	CHECK AMOUNT	CODE	CHECK SEQ
22731	3,937.97	208	1 STUB ONLY
22732	2,048.65	210	1 STUB ONLY
22733	959.14	206	1 STUB ONLY
22734	2,544.23	212	1 STUB ONLY
22735	1,818.66	207	1 STUB ONLY
22736	1,168.66	173	1 STUB ONLY
22737	1,841.12	568	1 STUB ONLY
22738	1,918.60	539	1 STUB ONLY
22739	1,542.07	562	1 STUB ONLY
22740	1,566.79	561	1 STUB ONLY
22741	317.23	560	1 STUB ONLY
22742	1,121.46	564	1 STUB ONLY
22743	1,229.07	565	1 STUB ONLY
22744	2,843.67	549	1 STUB ONLY
22745	1,557.15	566	1 STUB ONLY
22746	1,854.91	554	1 STUB ONLY
22747	1,954.50	552	1 STUB ONLY
22748	1,086.81	555	1 STUB ONLY
22749	1,344.30	551	1 STUB ONLY
22750	1,534.82	215	1 STUB ONLY
22751	1,797.29	134	1 STUB ONLY
22752	810.49	218	1 STUB ONLY
22753	1,267.32	216	1 STUB ONLY
22754	1,279.01	205	1 STUB ONLY
22755	1,437.64	217	1 STUB ONLY
22756	1,173.31	159	1 STUB ONLY
22757	2,127.53	209	1 STUB ONLY
22758	2,200.13	211	1 STUB ONLY
22759	784.34	214	1 STUB ONLY
22760	1,557.46	188	1 STUB ONLY

PERIOD 2 DATING 7/02/2017- 7/15/2017 CHECK DATE 7/21/2017
 DIRECT DEPOSIT IS TURNED ON

CHECK NUMBER	CHECK AMOUNT	EMPLOYEE/BANK/VENDOR NAME	CODE	CHECK SEQ
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TOTALS FOR CHECK FORM: STUB

NEGOTIABLE CHECKS	AMOUNT	NAME	COUNTS
	0.00	*EMPLOYEE CHECKS	0
	0.00	*VENDOR CHECKS	0
	0.00	*BANK CHECKS	0
	0.00	**TOTAL NEGOTIABLE CHECKS	0

OTHER CHECKS

	0.00	*MANUAL CHECKS	0
	0.00	*CANCELLED CHECKS	0
	0.00	**TOTAL FOR CHECK FORM	

NON-NEGOTIABLE CHECKS

	48,624.33	*DIRECT DEPOSIT STUBS	30
	0.00	*VENDOR DIR DEP STUBS	0

EMP #	CUR AMT	CUR HRS
215	2,247.06	92.09
214	2,119.44	86.50
568	2,080.00	96.00
159	1,577.52	80.92
539	3,010.50	82.00
188	2,270.39	80.00
562	2,430.72	92.00
561	2,183.24	90.50
209	2,695.00	80.00
560	355.57	24.00
564	1,803.23	80.00
208	5,699.24	80.00
173	1,742.78	80.00
565	1,635.69	80.00
549	4,384.62	80.00
566	1,803.23	80.00
554	2,212.15	80.00
210	2,882.31	80.00
211	2,792.32	80.00
206	1,488.00	80.00
218	1,031.98	77.00
216	1,628.20	88.00
205	1,562.30	80.00
217	1,905.24	90.00
552	2,969.46	97.00
555	1,416.92	80.00
134	2,719.31	96.50
212	3,328.62	80.00
207	2,736.91	80.00
551	2,435.14	89.00
	69,147.09	2,461.51
	69,147.09	2,461.51
PAGE TOTALS ***		30 EMPLOYEES
FEATURE TOTALS *		30 EMPLOYEES

CITY-O/T REPORT-PAYROLL #02-3Q FY17/18
 07/02/17-07/15/17 PAYROLL DATE: 07/21/17

EMP #	CUR AMT	CUR HRS
215	387.53	12.09
214	227.53	6.50
568	480.00	16.00
159	26.75	0.92
539	108.81	2.00
562	441.87	12.00
561	355.01	10.50
218	97.36	5.00
216	192.81	8.00
217	292.93	10.00
552	657.31	17.00
134	630.70	16.50
551	347.99	9.00
	4,246.60	125.51
	4,246.60	125.51

PAGE TOTALS *** 13 EMPLOYEES
 FEATURE TOTALS * 13 EMPLOYEES

PERIOD 2 DATING 7/02/2017- 7/15/2017 CHECK DATE 7/21/2017
 DIRECT DEPOSIT IS TURNED ON

CHECK NUMBER	CHECK AMOUNT	CODE	CHECK SEQ
22722	55.41	4038	1 STUB ONLY
22723	498.69	4023	1 STUB ONLY
22724	887.13	4042	1 STUB ONLY
22725	383.25	4041	1 STUB ONLY
22726	863.76	4043	1 STUB ONLY
22727	166.23	4026	1 STUB ONLY
22728	2,060.94	4018	1 STUB ONLY
22729	3,027.37	4022	1 STUB ONLY
22730	1,260.07	4035	1 STUB ONLY

TOTALS FOR CHECK FORM: STUB

NEGOTIABLE CHECKS		COUNTS
0.00	*EMPLOYEE CHECKS	0
0.00	*VENDOR CHECKS	0
0.00	*BANK CHECKS	0
0.00	**TOTAL NEGOTIABLE CHECKS	0

OTHER CHECKS

0.00	*MANUAL CHECKS	0
0.00	*CANCELLED CHECKS	0
0.00	**TOTAL FOR CHECK FORM	

NON-NEGOTIABLE CHECKS

9,202.85	*DIRECT DEPOSIT STUBS	9
0.00	*VENDOR DIR DEP STUBS	0

EMP #	CUR AMT	CUR HRS
4038	60.00	6.00
4023	540.00	54.00
4042	1,105.00	110.50
4041	415.00	41.50
4043	1,105.00	110.50
4026	180.00	18.00
4018	2,692.31	112.00
4022	3,908.88	230.50
4035	1,698.01	144.00
9 EMPLOYEES	11,704.20	827.00
PAGE TOTALS ***		
FEATURE TOTALS *		

BANK	VENDOR	CHECK#	DATE	AMOUNT
BANK BANK OF VISALIA				
000939	ALERT-O-LITE INC.	64128	08/25/17	759.25
000334	BANK OF AMERICA	64129	08/25/17	6,503.98
001294	BEATWEAR INC	64130	08/25/17	689.89
001315	BILL WALL'S DIRECT APPRO	64131	08/25/17	895.08
000351	BSK ASSOCIATES	64132	08/25/17	1,805.00
001338	CHEM QUIP, INC.	64133	08/25/17	933.78
001688	CONDUENT ENTERPRISE SOLU	64134	08/25/17	3,199.95
000733	CRUZ-TA WELDING SHOP	64135	08/25/17	1,885.63
.70803	CUEVAS/NANCY	64136	08/25/17	150.00
001421	D & D SERVICES	64137	08/25/17	275.00
000646	DEARBORN NATIONAL LIFE I	64138	08/25/17	304.75
000753	DEPARTMENT OF JUSTICE	64139	08/25/17	70.00
.70802	ESTRADA/ADAM	64140	08/25/17	27.91
000898	FOOTHILLS SUN-GAZETTE/TH	64141	08/25/17	350.70
000196	FRESNO OXYGEN	64142	08/25/17	592.24
000252	GIANT AUTO GROUP	64143	08/25/17	478.39
000846	GUARDIAN-APPLETON	64144	08/25/17	2,870.93
.70804	HOME RENTAL CO	64145	08/25/17	150.00
000129	JENSEN & PILLEGARD	64146	08/25/17	390.56
000542	K R C SAFETY CO., INC.	64147	08/25/17	504.33
000181	KIWANIS OF WOODLAKE	64148	08/25/17	100.00
001382	LAWRENCE TRACTOR COMPANY	64149	08/25/17	686.95
001334	MERLE STONE CHEVROLET	64150	08/25/17	123.77
001362	MIDVALLEY DISPOSAL	64151	08/25/17	44,315.51
000530	MONARCH FORD	64152	08/25/17	89.62
000022	QUAD - KNOFF	64153	08/25/17	23,311.52
001222	RAY MORGAN COMPANY	64154	08/25/17	75.75
001127	SANTA FE AGGREGATES, INC	64155	08/25/17	198.18
000023	SELF HELP ENTERPRISES IN	64156	08/25/17	8,146.00
000024	SOUTHERN CALIF EDISON CO	64157	08/25/17	30,000.29
001715	SUNBELT RENTALS	64158	08/25/17	803.24
000154	T C A G	64159	08/25/17	1,570.31
001599	TAYLOR GROUP ARCHITECTS	64160	08/25/17	3,825.00
001473	TOP DOG TRAINING CENTER	64161	08/25/17	13,323.75
001714	TRITECH FORENSICS NATION	64162	08/25/17	319.50
001047	TULARE COUNTY INFORMATIO	64163	08/25/17	260.71
001194	TULARE COUNTY JAIL	64164	08/25/17	126.07
001158	TULARE REGIONAL MEDICAL	64165	08/25/17	4,335.00
.70801	VILLALPANDO/VICTOR	64166	08/25/17	150.00
000585	WOODLAKE CHAMBER	64167	08/25/17	100.00
	BANK OF VISALIA			154,698.54

ACS FINANCIAL SYSTEM
08/24/2017 14:

BANK VENDOR

REPORT TOTALS:

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 GL540R-V08.05 PAGE 2

CHECK#	DATE	AMOUNT
		154,698.54

RECORDS PRINTED - 000157

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P	ID LINE
ALERT-O-LITE INC. LINE LAZR PNT HSE 8/17 PNT BDS HDRNT WRCH 8/17	93.28 665.97 759.25	SPECIAL DEPARTMENT EXPEN SPECIAL DEPARTMENT EXPEN *VENDOR TOTAL	001.0422.060.029 001.0422.060.029		0015016-IN 0015017-IN			788 00006 788 00007
BANK OF AMERICA								
SHERWIN WILLIAMS 08/2017	77.01	SPECIAL DEPARTMENT EXPEN	001.0422.060.029					788 00077
REPAIR PHONE ORNLAS 8/17	1.50	TELEPHONE	001.0403.060.020					788 00078
REPAIR PHONE ORNLAS 8/17	1.50	TELEPHONE	001.0404.060.020					788 00078
REPAIR PHONE ORNLAS 8/17	1.00	TELEPHONE	001.0405.060.020					788 00078
REPAIR PHONE ORNLAS 8/17	3.00	TELEPHONE	001.0415.060.020					788 00078
REPAIR PHONE ORNLAS 8/17	0.50	TELEPHONE	001.0416.060.020					788 00078
REPAIR PHONE ORNLAS 8/17	1.00	TELEPHONE	001.0418.060.020					788 00078
REPAIR PHONE ORNLAS 8/17	2.50	TELEPHONE	001.0421.060.020					788 00078
REPAIR PHONE ORNLAS 8/17	1.50	TELEPHONE	001.0422.060.020					788 00078
REPAIR PHONE ORNLAS 8/17	3.00	TELEPHONE	061.0461.060.020					788 00078
REPAIR PHONE ORNLAS 8/17	8.00	TELEPHONE	021.0424.060.020					788 00078
REPAIR PHONE ORNLAS 8/17	13.25	TELEPHONE	062.0462.060.020					788 00078
REPAIR PHONE ORNLAS 8/17	13.25	TELEPHONE	063.0463.060.020					788 00078
LOWES 08/2017	194.22	SPECIAL DEPARTMENT EXPEN	001.0418.060.029					788 00079
LOWES 08/2017	515.81	SPECIAL DEPARTMENT EXPEN	001.0411.060.029					788 00080
PIZZA FACTORY PW 8/17	45.21	SPECIAL DEPARTMENT EXPEN	062.0462.060.029					788 00081
ENVIRO TECH SERV 8/17	336.99	SPECIAL DEPARTMENT EXPEN	062.0462.060.029					788 00082
EWING IRRIGATION 08/17	95.49	SPECIAL DEPARTMENT EXPEN	063.0463.060.029					788 00083
LOWES 08/2017	402.99	SPECIAL DEPARTMENT EXPEN	001.0411.060.029					788 00084
P. HUERTA PANTS 08/17	122.76	UNIFORM ALLOWANCE	062.0462.050.011					788 00085
ELECTRIC MOTORS 8/17	371.12	SPECIAL DEPARTMENT EXPEN	062.0462.060.029					788 00086
SIRCHIE FP LAB 08/17	84.04	CONTRACTURAL SERVICES	001.0411.060.028					788 00087
GALLS 08/2017	61.93	CONTRACTURAL SERVICES	001.0411.060.028					788 00088
SUBWAY 08/2017	35.00	SPECIAL DEPARTMENT EXPEN	001.0411.060.029					788 00089
MCDONALDS 08/2017	11.20	SPECIAL DEPARTMENT EXPEN	001.0411.060.029					788 00090
RITE AID 08/2017	9.38	SPECIAL DEPARTMENT EXPEN	001.0411.060.029					788 00091
A&H MARKET 08/2017	2.50	SPECIAL DEPARTMENT EXPEN	001.0411.060.029					788 00092
MCDONALDS 08/2017	10.77	SPECIAL DEPARTMENT EXPEN	001.0411.060.029					788 00093
AMAZON 08/2017	32.29	CONTRACTURAL SERVICES	001.0411.060.028					788 00094
LOWES 08/2017	11.13	SPECIAL DEPARTMENT EXPEN	001.0421.060.029					788 00095
RICKS VENDING 08/2017	16.28	CONTRACTURAL SERVICES	001.0403.060.028					788 00096
ELECTRIC MOTORS 08/17	217.37	SPECIAL DEPARTMENT EXPEN	062.0462.060.029					788 00097
SMART N FINAL 08/2017	259.37	CONTRACTURAL SERVICES	001.0403.060.028					788 00098
FAMILY DOLLAR 08/2017	252.72	CONTRACTURAL SERVICES	001.0403.060.028					788 00099
FAMILY DOLLAR 08/2017	267.84	CONTRACTURAL SERVICES	001.0403.060.028					788 00100
FAMILY DOLLAR 08/2017	8.64	CONTRACTURAL SERVICES	001.0403.060.028					788 00101
EARTHLINK 08/2017	11.90	SPECIAL DEPARTMENT EXPEN	001.0410.060.029					788 00102
AMAZON 08/2017	290.44	SPECIAL DEPARTMENT EXPEN	001.0416.060.029					788 00103
CA CODE ENFRCMNT 08/17	460.00	TRAINING EXPENSE	001.0411.060.037					788 00104
MCDONALDS 08/2017	8.29	SPECIAL DEPARTMENT EXPEN	001.0411.060.029					788 00105
ROCHIN TRAINING 08/2017	23.76	TRAINING EXPENSE	001.0411.060.037					788 00106
ROCHIN TRAINING 08/17	12.12	TRAINING EXPENSE	001.0411.060.037					788 00107
HOSTEK 08/2017	59.70	SPECIAL DEPARTMENT EXPEN	001.0410.060.029					788 00108
ROCHIN TRAINING 08/17	382.60	TRAINING EXPENSE	001.0411.060.037					788 00109
USPS 08/2017	3.03	SPECIAL DEPARTMENT EXPEN	001.0402.060.029					788 00110

Schedule of Bills

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P ID LINE
BANK OF AMERICA							
ADOBE 08/2017	79.98	SPECIAL DEPARTMENT EXPEN	001.0410.060.029				788 00111
COUNCIL TRNG 08/2017	525.00	TRAVEL, CONFERENCES & ME	001.0401.060.030				788 00112
COUNCIL TRAINING 08/17	525.00	TRAVEL, CONFERENCES & ME	001.0401.060.030				788 00113
COUNCIL TRAINING 08/2017	525.00	TRAVEL, CONFERENCES & ME	001.0401.060.030				788 00114
AMAZON 08/2017	1.77	OFFICE SUPPLIES	001.0410.060.023				788 00115
AMAZON 08/2017	32.33	SPECIAL DEPARTMENT EXPEN	062.0462.060.029				788 00116
FUEL MACHINE 08/17	1.00	FUEL	041.0441.060.032				788 00117
SUBWAY 08/2017	70.00	SPECIAL DEPARTMENT EXPEN	001.0411.060.029				788 00118
	6,503.98	*VENDOR TOTAL			CN#17-0967		
BEATWEAR, INC.							
UNIFORM F.GARCIA 8/17	448.98	UNIFORM ALLOWANCE	001.0411.050.011		4803		788 00075
EQUIPMENT 08/2017	240.91	SPECIAL DEPARTMENT EXPEN	001.0411.060.029		4803		788 00076
	689.89	*VENDOR TOTAL					
BILL WALL'S DIRECT APPRO SERVICES 08/2017	895.08	CONTRACTURAL SERVICES	001.0411.060.028		15539		788 00043
BSK ASSOCIATES							
BACTI 08/2017	90.00	CONTRACTURAL SERVICES	063.0463.060.028		A720059		788 00005
WEEKLY EFFLUENT 8/2017	185.00	CONTRACTURAL SERVICES	062.0462.060.028		A720066		788 00004
WELL #13 08/2017	730.00	CONTRACTURAL SERVICES	063.0463.060.028		A720514		788 00018
PLAZA CNTRCTN TEST 8/17	170.00	CONTRACTURAL SERVICES	001.0416.060.028		0079147		788 00022
WELL #13 08/2017	630.00	CONTRACTURAL SERVICES	063.0463.060.028		0080299		788 00021
	1,805.00	*VENDOR TOTAL					
CHEM QUIP, INC.							
CHLORINE 08/17	933.78	SPECIAL DEPARTMENT EXPEN	063.0463.060.029		5564359		788 00064
CONDUENT ENTERPRISE SOLU MNTHLY TECHNLOGY 08/17	3,199.95	SPECIAL DEPARTMENT EXPEN	001.0410.060.029		1395002		788 00040
CRUZ-TA WELDING SHOP STEEL COVER 08/17	1,885.63	CONTRACTURAL SERVICES	062.0462.060.028		8288		788 00067
CUEVAS/NANCY							
WTR DEP RFND 08/2017	150.00	UTILITY DEPOSITS	001.0000.200.034		389 S.VALENCIA		788 00070
D & D SERVICES							
ANIMAL DISPOSAL 8/17	275.00	CONTRACTURAL SERVICES	001.0411.060.028		48806		788 00060
DEARBORN NATIONAL LIFE I							
CITY EMPLOYEES 08/2017	1.34	HEALTH INSURANCE	001.0402.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	7.18	HEALTH INSURANCE	001.0403.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	6.99	HEALTH INSURANCE	001.0404.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	3.59	HEALTH INSURANCE	001.0405.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	7.53	HEALTH INSURANCE	001.0415.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	3.20	HEALTH INSURANCE	001.0416.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	12.17	HEALTH INSURANCE	001.0418.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	5.07	HEALTH INSURANCE	001.0421.050.008		SEPT 2017		788 00053

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P ID LINE
DEARBORN NATIONAL LIFE I CITY EMPLOYEES 08/2017	17.00	HEALTH INSURANCE	001.0422.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	9.87	HEALTH INSURANCE	061.0461.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	43.95	HEALTH INSURANCE	062.0462.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	40.47	HEALTH INSURANCE	063.0463.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	15.40	HEALTH INSURANCE	021.0424.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	6.75	HEALTH INSURANCE	029.0429.050.008		SEPT 2017		788 00053
CITY EMPLOYEES 08/2017	3.49	HEALTH INSURANCE	032.0440.050.008		SEPT 2017		788 00053
PD EMPLOYEES 08/2017	120.75	HEALTH INSURANCE	001.0411.050.008		SEPT 2017		788 00054
	304.75	*VENDOR TOTAL					
DEPARTMENT OF JUSTICE BLD ALCHL ANALYSIS 8/17	70.00	CONTRACTURAL SERVICES	001.0411.060.028		251606		788 00042
ESTRADA/ADAM WIR DEP RFND 08/2017	27.91	UTILITY DEPOSITS	001.0000.200.034		134 N. PALM		788 00069
FOOTHILLS SUN-GAZETTE/TH PUBLIC HEARING/TAX 08/17	269.29	SPECIAL DEPARTMENT EXPEN	001.0401.060.029		51897		788 00073
PUBLIC NOTICE 08/2017	81.41	SPECIAL DEPARTMENT EXPEN	001.0401.060.029		51935		788 00072
	350.70	*VENDOR TOTAL					
FRESNO OXYGEN CMPRSD OXYGN 08/17	592.24	SPECIAL DEPARTMENT EXPEN	001.0418.060.029		62052192		788 00017
GIANT AUTO GROUP PARTS 08/2017	400.40	VEHICLE MAINTENANCE/OPER	001.0411.060.032		520886		788 00012
BLT/PLUG 08/2017	15.43	VEHICLE MAINTENANCE/OPER	001.0411.060.032		520967		788 00009
SEAL 08/2017	8.57	VEHICLE MAINTENANCE/OPER	001.0411.060.032		521735		788 00010
PLUG 08/2017	9.42CR	VEHICLE MAINTENANCE/OPER	001.0411.060.032		521736		788 00014
TUBE 08/2017	15.22CR	VEHICLE MAINTENANCE/OPER	001.0411.060.032		521754		788 00013
TUBE/FILTER/GSKT 08/17	78.63	VEHICLE MAINTENANCE/OPER	001.0411.060.032		521755		788 00011
	478.39	*VENDOR TOTAL					
GUARDIAN-APPLETON EMPLYR CNTRBTN 08/2017	11.67	HEALTH INSURANCE	001.0402.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	64.66	HEALTH INSURANCE	001.0403.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	63.00	HEALTH INSURANCE	001.0404.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	32.33	HEALTH INSURANCE	001.0405.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	67.82	HEALTH INSURANCE	001.0415.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	28.82	HEALTH INSURANCE	001.0416.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	109.64	HEALTH INSURANCE	001.0418.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	45.71	HEALTH INSURANCE	001.0421.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	153.11	HEALTH INSURANCE	001.0422.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	88.90	HEALTH INSURANCE	061.0461.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	395.81	HEALTH INSURANCE	062.0462.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	364.50	HEALTH INSURANCE	063.0463.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	138.67	HEALTH INSURANCE	021.0424.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	60.80	HEALTH INSURANCE	029.0429.050.008		SEPTEMBER 2017		788 00055
EMPLYR CNTRBTN 08/2017	31.45	HEALTH INSURANCE	032.0440.050.008		SEPTEMBER 2017		788 00055
PD EMPLOYEES 08/2017	835.66	HEALTH INSURANCE	001.0411.050.008		SEPTEMBER 2017		788 00056

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P ID LINE
GUARDIAN-APPLETON FIRE EMPLOYEES 8/17	378.38 2,870.93	HEALTH INSURANCE *VENDOR TOTAL	004.0414.050.008		SEPTEMBER 2017		788 00057
HOME RENTAL CO WTR DEP RFND 08/17	150.00	UTILITY DEPOSITS	001.0000.200.034		128 HERMOSA		788 00071
JENSEN & PILLEGARD CHAIN SAW 08/2017	390.56	FIRE GEAR	004.0414.060.058		357388		788 00019
K R C SAFETY CO., INC. STRIPING PNT 08/17 STRIPING PAINT 08/2017	252.16 252.17 504.33	SPECIAL DEPARTMENT EXPEN SPECIAL DEPARTMENT EXPEN *VENDOR TOTAL	063.0463.060.029 021.0424.060.029		34294 34294		788 00002 788 00003
KIWANIS OF WOODLAKE JULY 3RD BLST RFND 8/17	100.00	DEPOSITS FORM OTHERS	001.0000.200.035				788 00030
LAWRENCE TRACTOR COMPANY DEFLECTR/BUSHING 08/17 SUPPLIES 08/2017 SUPPLIES 08/2017	254.74 146.48 285.73 686.95	VEHICLE MAINTENANCE/OPER VEHICLE MAINTENANCE/OPER VEHICLE MAINTENANCE/OPER *VENDOR TOTAL	062.0462.060.032 062.0462.060.032 062.0462.060.032		240848 240850 240852		788 00016 788 00008 788 00015
MERLE STONE CHEVROLET SERVICES 08/2017	123.77	VEHICLE MAINTENANCE/OPER	001.0411.060.032		72521		788 00059
MIDVALLEY DISPOSAL JULY REFUSE SERV. 08/17	44,315.51	CONTRACTURAL SERVICES	061.0461.060.028		JUL-17		788 00023
MONARCH FORD SWITCH 08/2017	89.62	VEHICLE MAINTENANCE/OPER	001.0411.060.032		16187		788 00001
QUAD - KNOFF AUTOZONE 08/2017 RNDABT PROJ 08/2017 VALENCIA HEIGHTS 08/2017 WDLK COMM CNTR 08/2017 INSTL 2 NEW WELLS 8/17 GEN ENGINEER SERV. 8/17 N.VLNCA IMPRVMT 08/2017 N.VLNCA IMPRVMT 08/17	1,021.14 2,447.64 288.54 3,439.06 6,723.40 1,101.69 6,271.39 2,018.66 23,311.52	CONTRACTURAL SERVICES CONTRACTURAL SERVICES CONTRACTURAL SERVICES CONTRACTURAL SERVICES CONTRACTURAL SERVICES CONTRACTURAL SERVICES CONTRACTURAL SERVICES CONTRACTURAL SERVICES *VENDOR TOTAL	001.0416.060.028 020.0590.731.028 001.0416.060.028 001.0421.060.028 063.0463.060.028 001.0416.060.028 020.0590.740.028 023.0590.740.028		89262 89263 89264 89265 89266 89266 89334 89338 89338		788 00032 788 00035 788 00033 788 00036 788 00034 788 00031 788 00037 788 00038
RAY MORGAN COMPANY STPLS FOR CPY MACH 8/17	75.75	OFFICE SUPPLIES	001.0410.060.023		1707394		788 00074
SANTA FE AGGREGATES, INC CRUSHER DUST 8/2017	198.18	SPECIAL DEPARTMENT EXPEN	062.0462.060.029		2010559		788 00061

Schedule of Bills

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P ID LINE
SELF HELP ENTERPRISES IN CONDITIONS CLRNCE 8/17	2,500.00	CONTRACTURAL SERVICES	001.0402.060.028		WLKHMPJ JUL-17		788 00026
GENERAL ADMIN 08/2017	386.00	CONTRACTURAL SERVICES	072.0472.060.028		WLK14 JUL-17		788 00025
GENERAL ADMIN 08/2017	4,600.00	HOUSING REHABILITATION	026.0481.081.081		WLK14 JUL-17		788 00027
GENERAL ADMIN 08/2017	660.00	HOUSING CONSTRUCTION	027.0716.080.081		WLK14HM JUL-17		788 00028
	8,146.00	*VENDOR TOTAL					
SOUTHERN CALIF EDISON CO FIRE STATION 08/2017	563.38	UTILITIES	004.0414.060.021				788 00044
CITY ADMIN BLDNG 08/17	1,618.85	UTILITIES	001.0410.060.021				788 00045
WATER DEPT 08/2017	15,726.46	UTILITIES	063.0463.060.021				788 00046
MAINT SHOP 08/2017	448.66	UTILITIES	001.0418.060.021				788 00047
PARKS DEPT 08/2017	70.14	UTILITIES	001.0421.060.021				788 00048
SEWER DEPT 08/2017	7,871.37	UTILITIES	062.0462.060.021				788 00049
AIRPORT 08/2017	124.98	UTILITIES	041.0441.060.021				788 00050
SUBDVSN LIGHTNG 08/2017	118.54	UTILITIES	029.0429.060.021				788 00051
STREETS 08/2017	3,457.91	UTILITIES	001.0422.060.021				788 00052
	30,000.29	*VENDOR TOTAL					
SUNBELT RENTALS VACUUM EXCAVATOR 8/17	401.62	SPECIAL DEPARTMENT EXPEN	062.0462.060.029		71566319-0001		788 00065
VACUUM EXCAVATOR 8/17	401.62	SPECIAL DEPARTMENT EXPEN	063.0463.060.029		71566319-0001		788 00066
	803.24	*VENDOR TOTAL					
T C A G FRST HLF 17/18 MMBR 8/17	1,570.31	MEMBERSHIPS & SUBSCRIPTI	001.0401.060.038		18784008M		788 00058
TAYLOR GROUP ARCHITECTS WDLK COMMNTY CNTR 8/17	3,825.00	SPECIAL DEPARTMENT EXPEN	001.0421.060.029		6243		788 00020
TOP DOG TRAINING CENTER PATROL DOG SERVICE 8/17	13,323.75	SPECIAL DEPARTMENT EXPEN	001.0411.060.029		17-73		788 00062
TRITECH FORENSICS NATION EVDNCE CLLCTN KIT 08/17	319.50	CONTRACTURAL SERVICES	001.0411.060.028		148764		788 00063
TULARE COUNTY INFORMATIO LNS RPLCMNT KIT 08/17	260.71	RADIO & PAGER MAINTENANC	001.0411.060.033		18-004		788 00039
TULARE COUNTY JAIL SBLMTN LRG MUGS 08/2017	126.07	SPECIAL DEPARTMENT EXPEN	001.0411.060.029		15516		788 00041
TULARE REGIONAL MEDICAL SERVICES 08/2017	4,335.00	CONTRACTURAL SERVICES	001.0411.060.028		ACCT#8899219-3		788 00029
VILLALPANDO/VICTOR WTR DEP RFND 08/17	150.00	UTILITY DEPOSITS	001.0000.200.034		140 E. NARANJO		788 00068
WOODLAKE CHAMBER CAR SHOW DEP RFND 8/17	100.00	DEPOSITS FORM OTHERS	001.0000.200.035				788 00024

ACS FINANCIAL SYSTEM
08/24/2017 14:05:00

Schedule of Bills

GL540R-V08.05 PAGE 6
CITY OF WOODLAKE

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM INVOICE	PO#	F/P	ID LINE
REPORT TOTALS:	154,698.54						

RECORDS PRINTED - 000157

Schedule of Bills

THE PRECEDING LIST OF BILLS PAYABLE WAS REVIEWED AND APPROVED FOR PAYMENT.

DATE APPROVED BY
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ACS FINANCIAL SYSTEM	Check Register	GL540R-V08.05	CITY OF WOODLAKE
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BANK	VENDOR		
BANK BANK OF VISALIA			
000372	CHICAGO TITLE COMPANY	64127 08/23/17	300,639.00
BANK OF VISALIA			300,639.00

ACS FINANCIAL SYSTEM
08/24/2017 15:

BANK VENDOR

REPORT TOTALS:

Check Register GL540R-V08.05 PAGE 2 CITY OF WOODLAKE

CHECK# DATE AMOUNT

300,639.00

RECORDS PRINTED - 000001

ACS FINANCIAL SYSTEM
08/24/2017 15:46:57

VENDOR NAME
DESCRIPTION

CHICAGO TITLE COMPANY
TURNER 060-170-080 8/17

Schedule of Bills

GL540R-V08.05 PAGE 1
CITY OF WOODLAKE

AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P	ID	LINE
300,639.00	FIXED ASSETS-LAND	062.0000.180.018		060-170-096			794	00001

ACS FINANCIAL SYSTEM
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VENDOR NAME
DESCRIPTION

REPORT TOTALS:

Schedule of Bills

GL540R-V08.05 PAGE 2
CITY OF WOODLAKE

AMOUNT ACCOUNT NAME FUND & ACCOUNT

300,639.00

CLAIM INVOICE PO# F/P ID LINE

RECORDS PRINTED - 000001

Schedule of Bills

THE PRECEDING LIST OF BILLS PAYABLE WAS REVIEWED AND APPROVED FOR PAYMENT.

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001697 RIVERA/EDDIE
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Check Register GL540R-V08.05 PAGE 1 CITY OF WOODLAKE

CHECK# DATE AMOUNT

64126 08/17/17 130.20

130.20 ***

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REPORT TOTALS:

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CHECK#	DATE	AMOUNT
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VENDOR NAME
DESCRIPTION

RIVERA/EDDIE
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Schedule of Bills

CITY OF WOODLAKE
GL540R-V08.05 PAGE 1

AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P	ID	LINE
130.20	SPECIAL DEPARTMENT EXPEN	063.0463.060.029		BOOK FOR COS				781 00001

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VENDOR NAME
DESCRIPTION

REPORT TOTALS:

Schedule of Bills

GL540R-V08.05 PAGE 2
CITY OF WOODLAKE

AMOUNT ACCOUNT NAME FUND & ACCOUNT

130.20

CLAIM INVOICE

PO# F/P ID LINE

RECORDS PRINTED = 000001

Schedule of Bills

THE PRECEDING LIST OF BILLS PAYABLE WAS REVIEWED AND APPROVED FOR PAYMENT.

DATE APPROVED BY
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Schedule of Bills

GL540R-V08.05 PAGE 1
CITY OF WOODLAKE

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM INVOICE	PO#	F/P ID LINE
QUALITY PAINT AND BODY BODY WORK-FORD EXPLORER	2,235.26	VEHICLE MAINTENANCE/OPER	004.0414.060.032	RO# 64301		780 00001

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM INVOICE	PO#	F/P ID LINE
REPORT TOTALS:	2,235.26					

RECORDS PRINTED - 000001

Schedule of Bills

THE PRECEDING LIST OF BILLS PAYABLE WAS REVIEWED AND APPROVED FOR PAYMENT.

DATE APPROVED BY
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ACS FINANCIAL SYSTEM
08/24/2017 16:
BANK VENDOR
BANK BANK OF VISALIA
001716 CWEA TCP
BANK OF VISALIA

Check Register
GL540R-V08.05 PAGE 1
CITY OF WOODLAKE

CHECK#	DATE	AMOUNT
64168	08/24/17	165.00
		165.00 ***

ACS FINANCIAL SYSTEM
08/24/2017 16:

BANK VENDOR

REPORT TOTALS:

Check Register

GL540R-V08.05 PAGE 2

CHECK# DATE AMOUNT

165.00

RECORDS PRINTED - 000001

ACS FINANCIAL SYSTEM
08/24/2017 16:29:57

Schedule of Bills

GL540R-V08.05 PAGE 1
CITY OF WOODLAKE

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P ID LINE
CWEA TCP P.HUERTA TEST 08/2017	165.00	SPECIAL DEPARTMENT	EXPEN 062.0462.060.029		2017 FALL		796 00001

ACS FINANCIAL SYSTEM
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GL540R-V08.05 PAGE 2
CITY OF WOODLAKE

Schedule of Bills

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P	ID	LINE
REPORT TOTALS:	165.00								

RECORDS PRINTED = 000001

Schedule of Bills

THE PRECEDING LIST OF BILLS PAYABLE WAS REVIEWED AND APPROVED FOR PAYMENT.

DATE
APPROVED BY
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City of Woodlake

AGENDA ITEM IV-D

August 28, 2017

Prepared by Ramon Lara, City Staff

SUBJECT:

Action: Adoption of Resolution: Approval of the July 2017 Monthly Report of Investments

BACKGROUND:

Pursuant to Section 3.24.050 of the Woodlake Municipal Code the Finance Department prepares a report listing all investments of the City of Woodlake. The City's temporary idle cash, those funds not immediately needed to pay current bills, is invested in accordance with the City's Investment Policy that was approved by Resolution No. 09-05 which was adopted on February 9, 2009.

DISCUSSION:

The first objective of the investment policy is to secure the safety of the invested funds. The second objective is to match the availability (liquidity) of the funds to the cash flow needs of the organization. The third objective, that is only considered after the first two objectives have been met, is yield, or the earnings rate.

RECOMMENDATIONS:

Staff recommends that Council approve the July 2017 Monthly Report of Investments as submitted.

FISCAL IMPACT:

There is no fiscal impact.

ATTACHMENTS:

1. Resolution: Approval of the July 2017 Monthly Report of Investments
2. July Monthly Report of Investments

BEFORE THE CITY COUNCIL
OF THE CITY OF WOODLAKE
COUNTY OF TULARE
STATE OF CALIFORNIA

In the matter of:

APPROVAL OF THE JULY) Resolution No:
2017 MONTHLY REPORT OF)
INVESTMENTS)

Councilmember _____, offered the following resolution and moved its adoption. Approve the City of Woodlake’s July 2017 Monthly Report of Investments.

WHEREAS, pursuant to Section 3.24.050 of the Woodlake Municipal Code, monthly, the Finance Department shall prepare a report listing of all investments of the City of Woodlake; and

WHEREAS, the City’s temporary idle cash, those funds not immediately needed to pay current bills, is invested in accordance with the City’s Investment Policy that was approved by Resolution No. 09-05.

NOW, THEREFORE, THE CITY OF WOODLAKE DOES RESOLVE to approve the City of Woodlake’s July 2017 Monthly Report of Investments.

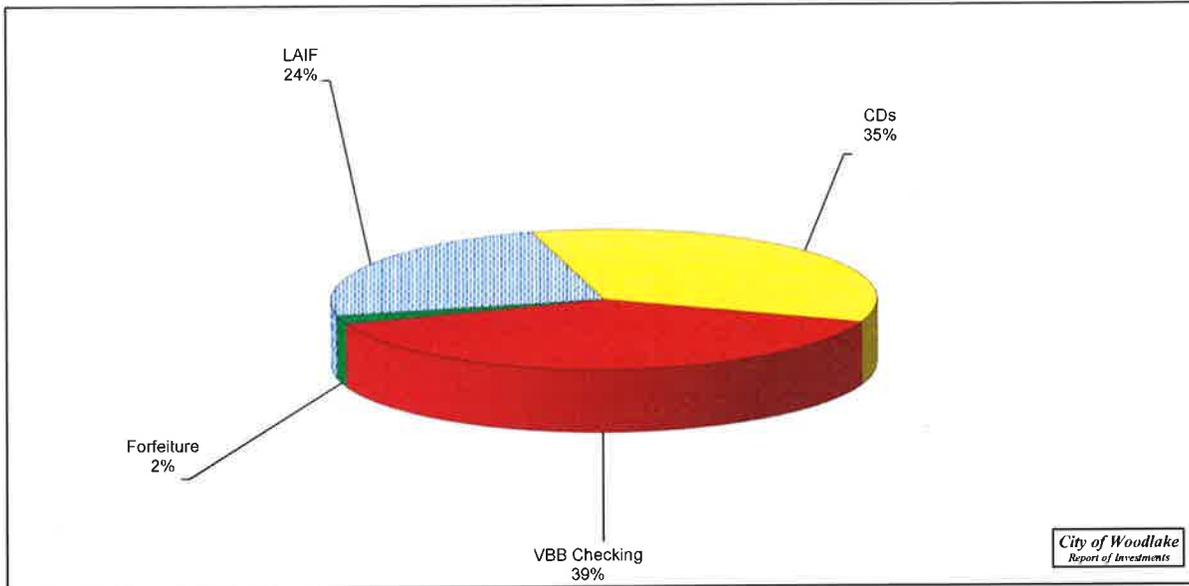
The foregoing resolution was adopted upon a motion of Councilmember _____, and seconded by _____, and carried by the following vote at the City Council meeting held on August 28, 2017.

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Rudy Mendoza, Mayor

ATTEST:

Irene Zacarias, City Clerk



July 31, 2017

<u>Investment Type</u>	<u>Principal</u>	<u>Percent of Portfolio</u>	<u>Yield to Maturity</u>	<u>Settlement Date</u>	<u>Maturity</u>
Checking - Valley Business Bank	\$3,183,951	39.0%	None	N/A	N/A
Checking - Asset Forfeiture	\$158,879	1.9%	0.2%	N/A	Monthly
LAIF	\$1,973,225	24.2%	0.92%	N/A	Daily
MBS - miscellaneous Portfolio Holdings	(\$40)	0.0%	N/A	N/A	
Finance500 - Miscellaneous cash	\$3,217	0.0%	N/A	N/A	
Sallie Mae - 10/30/18	\$99,937	1.2%	2.15%	10/30/13	10/30/18
Goldman Sachs - 04/30/19	\$100,736	1.2%	2.00%	04/30/14	04/30/19
Goldman Sachs - 06/11/19	\$100,666	1.2%	2.00%	06/11/14	06/11/19
State Bank India - 09/11/19	\$100,748	1.2%	2.15%	09/11/14	09/11/19
American Express Centurion - 10/21/20	\$101,044	1.2%	2.20%	10/21/15	10/21/20
Goldman Sachs - 01/27/21	\$50,706	0.6%	2.10%	01/27/16	01/27/21
Saussexbank Frank - 01/28/21	\$48,035	0.6%	1.80%	01/28/16	01/28/21
Discover BK Greenwood - 11/23/21	\$98,649	1.2%	2.00%	01/23/16	11/23/21
American Express Centurion - 04/19/22	\$150,974	1.9%	2.40%	04/19/17	04/19/22
Capital One - 06/14/22 a	\$150,674	1.8%	2.35%	06/14/17	06/14/22
Capital One - 06/14/22 b	\$150,674	1.8%	2.35%	06/14/17	06/14/22
Bank North Carolina - 07/16/18	\$200,744	2.5%	1.60%	01/16/15	07/16/18
Capital One BK - 08/03/18	\$98,524	1.2%	1.05%	08/03/16	08/03/18
Federal Natl Mtg - 02/01/19	\$486,365	6.0%	0.00%	02/01/89	02/01/19
Federal Natl Mtg - 10/09/19	\$95,928	1.2%	0.00%	10/09/84	10/09/19
BMW Bank of North America - 12/10/19	\$253,080	3.1%	2.15%	12/10/14	12/10/19
CIT BK Salt Lake City - 12/24/19	\$253,325	3.1%	2.25%	12/24/14	12/24/19
Synchrony BK Retail - 03/06/20	\$93,737	1.1%	1.90%	03/06/15	03/06/20
Comenity Cap - 06/01/21	\$201,890	2.5%	2.20%	05/31/17	06/01/21
Total Portfolio	\$8,155,666	100%			

I certify that this report of investments complies with the City's adopted investment policy and that it also complies with state investment guidelines pursuant to Government Code Section 16481.2.

Ramon Lara, City Administrator

08/25/17
Date

City of Woodlake

AGENDA ITEM IV-E

August 28, 2017

Prepared by Ramon Lara, City Staff

SUBJECT:

Action: Adoption of Resolution: Continuation of the Proclamation of the Existence of a Local Drought Emergency for the City of Woodlake

BACKGROUND:

The California Government Code section 8630 empowers the City Council of the City of Woodlake to proclaim the existence of a local drought emergency when the City of Woodlake is threatened or likely to be threatened by the conditions of extreme peril to the safety of persons and property that are or are likely to be beyond the control of the services, personnel, equipment, and facilities of this City. The City of Woodlake declared a drought emergency on the 26th day of May 2015 by Resolution No. 15-45.

On January 17, 2014, the Governor of the State of California proclaimed a state of emergency in the State of California due to current drought conditions in the State. The Governor's proclamation acknowledged that the State of California is experiencing record dry conditions that have persisted since 2012, with 2014 projected to become the driest year on record and called upon all Californians to reduce their water usage by 20 percent.

DISCUSSION:

The City of Woodlake water system is made up of five wells that are used as the only source to provide potable water to its residents. The wells have seen a consistent drop in groundwater level due to the drought and diversion of water, which has increased ground water pumping in the area. These conditions have created a situation where City wells will need to be updated or replaced. Due to the low water table, the wells have also become very inefficient. All these factors have created a burden on the City's water system.

The City requested informal bids for the construction of a test well along the St. Johns River. Well contractors are in large demand and soliciting bids was a challenge. The City was able to secure the services of Western Strata Exploration, Inc., who drilled Well #13. The City then procured the services of Zim Industries, Inc. to drill Well #14. The well drilling has been completed and testing has begun to get production numbers for the well. Both wells have been designed and engineered and the City has begun the process of connecting them to the current system. JT2, Inc. was the lowest responsive bidder and has begun the process of connecting Well #13 to the system. For Well #14 JT2, Inc. was the lowest responsive bidder and will begin the process of connecting Well #14.

RECOMMENDATIONS:

Staff recommends that the City Council continue the proclamation by the City Council of the City of Woodlake, State of California, proclaiming the existence of a local drought emergency for the City of Woodlake. The City Council would review the need for continuing the local drought emergency at least once every 30 days until the Council terminates the local drought emergency.

FISCAL IMPACT:

The City Water Fund has been largely depleted by the inefficiency, and the need of updating and replacement of City wells. City staff will continue to look for other funding sources to construct future wells.

ATTACHMENTS:

1. Resolution: Continuation of the Proclamation of the Existence of a Local Drought Emergency for the City of Woodlake

BEFORE THE CITY COUNCIL
OF THE CITY OF WOODLAKE
STATE OF CALIFORNIA

In the matter of:

CONTINUATION OF THE PROCLAMATION OF) Resolution No.
THE EXISTENCE OF A LOCAL DROUGHT)
EMERGENCY FOR THE CITY OF WOODLAKE)

WHEREAS, California Government Code section 8630 empowers the City Council of the City of Woodlake to proclaim the existence of a local drought emergency when the City of Woodlake is threatened or likely to be threatened by the conditions of extreme peril to the safety of persons and property that are or are likely to be beyond the control of the services, personnel, equipment, and facilities of this City; and

WHEREAS, the City Council of the City of Woodlake declared a drought emergency on the 26th day of May 2015 by Resolution No. 15-45; and

WHEREAS, California Government Code section 8558(c) states that a “local emergency” means the duly proclaimed existence of conditions of extreme peril to the safety of persons and property within the territorial limits of the City caused by the drought; and

WHEREAS, pursuant to City Charter, the City Administrator has requested the City Council to proclaim the existence of a local emergency; and

WHEREAS, on January 17, 2014, the Governor of the State of California proclaimed a state of emergency in the State of California due to current drought conditions in the state; and

WHEREAS, the Governor’s proclamation acknowledged that the State of California is experiencing record dry conditions that have persisted since 2012; and

WHEREAS, the Governor’s proclamation also noted that the snowpack in California’s mountains are alarmingly below the normal average level for this date; and

WHEREAS, the Governor’s proclamation called upon all Californians to reduce their water usage by 20 percent; and

WHEREAS, the Governor’s proclamation called upon local water suppliers and municipalities to implement water shortage contingency plans immediately in order to avoid or forestall outright restrictions that could become necessary later in the drought season; and

WHEREAS, the current drought has negatively impacted local business, especially agricultural based business, of which City residents largely depend on; and

WHEREAS, the City of Woodlake depends on ground water to provide potable water to its residents; and,

WHEREAS, the City’s domestic wells have seen a consistent drop in groundwater levels, requiring that wells be updated and replaced, causing an economic burden on the City; and

WHEREAS, persistent drought conditions have negatively impacted and continue to threaten the City’s economy; and

WHEREAS, conditions of drought exacerbate already perilous fire conditions in the City; and

WHEREAS, on January 15, 2014, the Secretary of the United States Department of Agriculture designated 27 California counties, [*including Alameda, Alpine, Amador, Calaveras, Contra Costa, El Dorado, Fresno, Inyo, Kings, Kern, Los Angeles, Madera, Mariposa, Merced, Mono, Monterey, Sacramento, San Benito, San Bernardino, San Joaquin, San Luis Obispo, Santa Clara, Santa Barbara, Stanislaus, Tulare, Tuolumne, and Ventura*] as natural disaster areas due to drought which makes farm operators in the designated counties eligible to be considered for certain assistance including emergency loans from the U.S. Farm Service Agency for production losses; and

WHEREAS, on January 17, 2014, the California State Resources Control Board notified all water rights holders in California that, in the coming months, if dry weather conditions persist, the State

Water Board will notify water right holders in critically dry watersheds of the requirement to limit or stop diversions of water under their water right, based upon the priority of their right; and **WHEREAS**, these conditions are likely to be beyond the services, equipment, personnel and fiscal resources of the City of Woodlake.

NOW, THEREFORE, BE IT RESOLVED AND PROCLAIMED by the City Council of the City of Woodlake that for reasons set forth herein, wishes to extend the proclamation of the existence of a local drought emergency in the City of Woodlake; and

BE IT FURTHER RESOLVED that federal and state agencies are requested to provide financial and other assistance to residents, water suppliers, water rights holders, ranchers, farmers, business owners and local governments in the City of Woodlake to help them mitigate the persistent drought conditions; and

BE IT FURTHER RESOLVED that the City's water users heed the Governor's request to reduce water usage by 20 percent.

BE IT FURTHER RESOLVED that water suppliers and municipalities in the City of Woodlake heed the Governor's request to implement water shortage contingency plans immediately in order to avoid or forestall outright restrictions that could become necessary later in the drought season.

BE IT FURTHER RESOLVED that all city water associates, power companies, other involved agencies, utilities, and individuals do whatever they can to equitably allocate the available water to mitigate to the extent possible the hardships resulting from the lack of water during this extended drought period of recovery.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that during the existence of this local drought emergency the powers, functions, and duties of the emergency organization of this City shall be those prescribed by state law, ordinances, and resolutions existing and passed in conjunction with this emergency, and that this emergency shall be deemed to continue to exist until the City Council of the City of Woodlake, State of California, proclaims its termination. Further, it is directed that this emergency proclamation be forwarded to the Director of the Governor's Office of Emergency Services and the Governor of the State of California.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that the City Council of the City of Woodlake hereby authorizes the undertaking of all extraordinary police and planning powers in response to this local drought emergency including but not limited to the ability to modify, amend, or issue planning codes, building or safety codes, environmental health codes, and such other codes, orders, and regulations as determined necessary for the duration of the emergency.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that public employees, officers, and governing bodies within the City are hereby granted full immunity to the extent allowed by law for actions undertaken in compliance with this proclamation.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that during the existence of this local drought emergency, the City Administrator may request the City Council to amend this proclamation of a local drought emergency and, if this Council is not in session to amend this proclamation as necessary and, if this proclamation is amended by the City Administrator the Council shall take action to ratify the amendment within 30 days thereafter or the amendment shall have no further force or effect.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that this City Council will review the need for continuing the local drought emergency at least once every 30 days until this Council terminates the local drought emergency. [Note: Government Code section 8630(c) requires the governing board to review the local emergency **at least once every 30 days** until the governing body terminates the local emergency.] **EXTENDED** this 28th day of August 2017.

The foregoing resolution was adopted upon a motion of Councilmember _____, and seconded by Councilmember _____, and carried by the following vote at the City Council meeting held on August 28, 2017.

AYES:
NOES:
ABSTAIN
ABSENT:

Rudy Mendoza, Mayor

ATTEST:

Irene Zacarias, City Clerk

City of Woodlake

AGENDA ITEM IV-F

August 28, 2017

Prepared by Ramon Lara, City Staff

SUBJECT:

Action: Adoption of Resolution: Reaffirm the Approval of Emergency Expenditures for the Development and Implementation of the City of Woodlake Well Project

BACKGROUND:

The California Government Code section 8630 empowers the City Council of the City of Woodlake to proclaim the existence of a local drought emergency when the City of Woodlake is threatened or likely to be threatened by the conditions of extreme peril to the safety of persons and property that are or are likely to be beyond the control of the services, personnel, equipment, and facilities of this City. The Council declared a drought emergency on the 26th day of May 2015 by Resolution No. 15-45 and by Resolution No. 15-46 the Council approved an exemption pursuant to the California Environmental Quality Act (CEQA), and State CEQA Guidelines relating to the environmental evaluation of the City of Woodlake Water Well Project. On June 22, 2015 by Resolution No. 15-59 Council approved emergency expenditures for the development and implementation of the City of Woodlake Well Project and has continued to reaffirm them at every Council meeting.

The City of Woodlake water system is made up of five wells that are used as the only source to provide potable water to its residents. The wells have seen a consistent drop in groundwater level due to the drought and diversion of water, which has increased ground water pumping in the area. These conditions have created a situation where City wells will need to be updated or replaced. Due to the low water table, the wells have also become very inefficient. All these factors have created a burden on the City's water system.

DISCUSSION:

With the continued drought and pumping of groundwater in the area, the City water system has begun to struggle to meet the demand of its customers. Water tables continue to fall and wells continue to become more inefficient. In an effort to protect the City's water resources, the City has taken the necessary steps towards drilling new City wells and is looking at options to make their current wells more efficient. Pervasive drought conditions have also significantly increased demand for well contractors, who now have very long waiting lists to drill wells and no incentive to engage a bidding process, thereby creating procurement challenges for local public agencies. The City has also implemented its Stage 4 water regulations and has made major cuts in the use of water at City facilities.

The declaration of an emergency, when passed by four-fifths votes of its members, allows the expenditure of public money for new City wells, which will allow the City to meet its consumers' demands. The declaration has helped streamline the construction of the wells by allowing the City to forego a competitive bid process as per the Public Contract Code. When the Council approves such action then the declaration of emergency will have to be re-approved by a four-fifths vote at every regularly scheduled meeting until the action is terminated.

At this time the City has drilled two wells along the St. John's River within the City Airport Property. The design and engineering for the wells has been completed and the City will now begin the process of connecting the wells to the City's water system. The construction for the connection for Well #13 and #14 to the City's water system are in progress.

RECOMMENDATIONS:

Staff recommends that the City Council approve the emergency expenditures of public money for the construction of new City wells to meet the demands of its customers and to safeguard the health of City residents.

FISCAL IMPACT:

The development and implementation of two new City wells will be paid out of the Water Fund. Staff has currently allocated \$1,500,000 to the project for both wells.

ATTACHMENTS:

1. Resolution: Reaffirm the Approval of Emergency Expenditures for the Development and Implementation of the City of Woodlake Well Project

BEFORE THE CITY COUNCIL
OF THE CITY OF WOODLAKE
STATE OF CALIFORNIA

In the matter of:

REAFFIRM THE APPROVAL OF EMERGENCY) Resolution No.
EXPENDITURES FOR THE DEVELOPMENT AND)
IMPLEMENTATION OF THE CITY OF WOODLAKE)
WELL PROJECT)

WHEREAS, California Government Code section 8630 empowers the City Council of the City of Woodlake to proclaim the existence of a local drought emergency when the City of Woodlake is threatened or likely to be threatened by the conditions of extreme peril to the safety of persons and property that are or are likely to be beyond the control of the services, personnel, equipment, and facilities of this City; and

WHEREAS, California Government Code section 8558(c) states that a “local emergency” means the duly proclaimed existence of conditions of extreme peril to the safety of persons and property within the territorial limits of the City caused by the drought; and

WHEREAS, the City Council of the City of Woodlake declared a drought emergency in the City of Woodlake on the 26th of May 2015 by Resolution No. 15-45; and

WHEREAS, on January 17, 2014, the Governor of the State of California proclaimed a state of emergency in the State of California due to current drought conditions in the state and said state of emergency remains in effect; and

WHEREAS, the Governor’s proclamation acknowledged that the State of California is experiencing record dry conditions that have persisted since 2012, with 2014 projected to become the driest year on record; and

WHEREAS, the Governor’s proclamation called upon local water suppliers and municipalities to implement water shortage contingency plans immediately in order to avoid or forestall outright restrictions that could become necessary later in the drought season; and

WHEREAS, the current drought has negatively impacted local business, especially agricultural based business, of which City residents largely depend on; and

WHEREAS, the City has implemented Stage 4 of its water conservation regulations, which restricts water use in the city; and

WHEREAS, the City of Woodlake depends on ground water to provide potable water to its residents; and,

WHEREAS, the City’s domestic wells have seen a consistent drop in groundwater levels, requiring that wells be updated and replaced, causing an economic burden on the City; and

WHEREAS, persistent drought conditions have negatively impacted and continue to threaten the City’s economy; and

WHEREAS, conditions of drought exacerbate already perilous fire conditions in the City; and

WHEREAS, these conditions are likely to be beyond the services, equipment, personnel and fiscal resources of the City of Woodlake.

NOW, THEREFORE, BE IT RESOLVED AND PROCLAIMED by the City Council of the City of Woodlake that for reasons set forth herein, emergency expenditures may take place in order to safeguard the health of City residents by the construction of a new City well; and

BE IT FURTHER RESOLVED that in case of an emergency the Public Contract Code section 20168 allows for the legislative body to pass a resolution by at least a four-fifths vote of its members declaring that the public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property allowing the City to forego competitive solicitations for bids, as the action is necessary to respond to the emergency; and

BE IT FURTHER RESOLVED that on the 26th day of May 2015 by Resolution NO. 15-46 the Council approved an exemption pursuant to the California Environmental Quality Act (CEQA), and State CEQA Guidelines relating to the environmental evaluation of the City of Woodlake Water Well Project.

BE IT FURTHER RESOLVED that on the 22nd day of June 2015 by Resolution NO. 15-59 the Council approved emergency expenditures for the development and implementation of the City of Woodlake Well Project.

BE IT FURTHER RESOLVED that water suppliers and municipalities in the City of Woodlake heed the Governor’s request to implement water shortage contingency plans immediately in order to avoid or forestall outright restrictions that could become necessary later in the drought season.

BE IT FURTHER RESOLVED that all city water associates, power companies, other involved agencies, utilities, and individuals do whatever they can to equitably allocate the available water to mitigate to the extent possible the hardships resulting from the lack of water during this extended drought period of recovery.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that during the existence of this local drought emergency the powers, functions, and duties of the emergency organization of this City shall be those prescribed by state law, ordinances, and resolutions existing and passed in conjunction with this emergency, and that this emergency shall be deemed to continue to exist until the City Council of the City of Woodlake, State of California, proclaims its termination. Further, it is directed that this emergency proclamation be forwarded to the Director of the Governor’s Office of Emergency Services and the Governor of the State of California.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that the City Council of the City of Woodlake hereby authorizes the undertaking of all extraordinary police and planning powers in response to this local drought emergency including but not limited to the ability to modify, amend, or issue planning codes, building or safety codes, environmental health codes, and such other codes, orders, and regulations as determined necessary for the duration of the emergency.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that public employees, officers, and governing bodies within the City are hereby granted full immunity to the extent allowed by law for actions undertaken in compliance with this emergency action.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that this City Council will review the need for continuing emergency expenditures at every regularly scheduled meeting hereafter until the drought emergency is terminated or no further emergency expenditures are necessary. [Note: Public Contract Code section 22050(c) requires the governing board to review the emergency expenditures at every regularly scheduled meeting until the governing body terminates the emergency expenditure or emergency no longer exists.] **DECLARED** this 28th day of August 2017.

The foregoing resolution was adopted upon a motion of Councilmember _____, and seconded by Councilmember _____, and carried by the following vote at the City Council meeting held on August 28, 2017.

AYES:
NOES:
ABSTAIN:
ABSENT:

Rudy Mendoza, Mayor

ATTEST:

Irene Zacarias, City Clerk

City of Woodlake

AGENDA ITEM IV-G

August 28, 2017

Prepared by Jason Waters, City Staff

SUBJECT:

Action: Adoption of Resolution: Approval of Exemption for the AutoZone Project

BACKGROUND:

AutoZone has proposed a project within Woodlake which will require the CEQA process.

DISCUSSION:

After review of the AutoZone project it has been determined by City staff that the project qualifies for a Categorical Exemption under the California Environmental Quality Act (CEQA). The specific exemption language can be found in CEQA Guidelines 15303(c) (Class 3).

RECOMMENDATIONS:

City staff recommends that Council approve the exemption for the AutoZone Project

FISCAL IMPACT:

There is no fiscal impact to the City of Woodlake General Fund.

ATTACHMENTS:

1. Resolution: Approval of Exemption for AutoZone Project
2. Notice of Exemption for the AutoZone Project

BEFORE THE CITY COUNCIL
OF THE CITY OF WOODLAKE
COUNTY OF TULARE
STATE OF CALIFORNIA

In the matter of:

APPROVAL OF EXEMPTION FOR THE) Resolution No.
AUTOZONE PROJECT)

Councilmember , moved its adoption to approve the Exemption for the AutoZone Project.

WHEREAS, AutoZone is proposing a new building in Woodlake; and

WHEREAS, the AutoZone is required to comply with all planning and environmental processes;
and

WHEREAS, the City as Lead Agency, has prepared an Exemption pursuant to the California Environmental Quality Act (CEQA), and State CEQA Guidelines relating to the environmental evaluation of the City of Woodlake Road Rehabilitation Project; and

WHEREAS, the City has analyzed the activity and the determination of the Exemption pursuant to CEQA and determined that the activity is exempt from CEQA under CEQA Guidelines 15303(c) (Class 3); and

WHEREAS, the City will file a Notice of Exemption with the Tulare County Clerk.

NOW, THEREFORE, THE CITY OF WOODLAKE DOES RESOLVE to approve the Exemption, in compliance with CEQA and the State CEQA Guidelines, finds that the activity has been conditionally approved (subject to finalization of State funding and a successful bid process) and is exempt under CEQA pursuant to CEQA Guidelines CEQA Guidelines 15303(c) (Class 3) and that said activity has no possibility of having a significant effect on the environment.

The foregoing resolution was adopted upon a motion of Councilmember , and seconded by Councilmember and carried by the following vote at the City Council meeting held on August 28, 2017.

AYES:
NOES:
ABSTAIN:
ABSENT:

Rudy Mendoza, Mayor

ATTEST:

Irene Zacarias, City Clerk

Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk
County of: Tulare

From: (Public Agency): City of Woodlake
350 N Valencia Blvd
Woodlake, CA 93286

(Address)

Project Title: AutoZone Project

Project Applicant: AutoZone

Project Location - Specific:

Intersection of Naranjo Blvd and Acacia St., Woodlake, CA 93286

Project Location - City: Woodlake Project Location - County: Tulare

Description of Nature, Purpose and Beneficiaries of Project:

Construction of a 7,372 sqft building for auto part sales. The purpose is the commercial sale of auto parts. The project benefits community members who wish to buy auto parts.

Name of Public Agency Approving Project: City of Woodlake

Name of Person or Agency Carrying Out Project: AutoZone

Exempt Status: **(check one):**

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: 15303(c) Class 3
- Statutory Exemptions. State code number: _____

Reasons why project is exempt:

The project is 7,372 sqft and does not involve the use of hazardous substances and is not in an environmentally sensitive area.

Lead Agency
Contact Person: Jason Waters Area Code/Telephone/Extension: 559-564-8055

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____ Date: 8/23/2017 Title: Community Dev. Dir.

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____

City of Woodlake

AGENDA ITEM V-B

August 28, 2017

Prepared by Jason Waters, City Staff

SUBJECT:

Information: Status of the Woodlake Airport and Availability of Funding

BACKGROUND:

The Federal Aviation Administration has grant funding available for airport planning and maintainince projects. The City of Woodlake must apply for these funds each year in order to receive the funding. The City of Woodlake released an RFQ to consultants to prepare an Airport Layout Plan and a Pavement Maintenance/Management Program. Wadell Engineering completed those plans and provided them to the City of Woodlake.

DISCUSSION:

The City of Woodlake received the results of a pavement study and Airport Layout Plan for the Woodlake Airport. The study shows that the City has approximately \$4.6 million worth of proposed repairs over the next three years to bring the airport runway, taxiway, and apron up to “good” FAA standards. The pavement at the airport is currently rated at either poor, very poor, serious, or failed. If the City were to simply maintain the current pavement standard, it would cost the City approximately \$2 million over the next 5 years. A constrained budget with \$1.5 million of expenditures over the next 5 years would result in decreased conditions at the airport resulting in an average pavement condition of “serious” in 5 years.

The City currently receives approximately \$150,000 from FAA per year for the airport, but the City may choose to apply for additional funding via a competitive application process. The competitive process does not guarantee funding for the airport. The City must also commit a match amount of 5%-10% to all grant funds received. The City must also commit to operating the airport for an additional 20 years if construction funding is spent. The proposed 2018 cost for repairs for the runway is estimated at \$1.3 million dollars.

FISCAL IMPACT:

None

ATTACHMENTS:

1. None.

City of Woodlake

AGENDA ITEM V-C

August 28, 2017

Prepared by Irene Zacarias, City Staff

SUBJECT:

Action: Adoption of Resolution: Appoint Chuck Mann and Xavier Bocanegra to Fill Two Vacancies on the Planning Commission Board

BACKGROUND:

The City of Woodlake Planning Commissioners is composed of five members who reside within the city limits of the City of Woodlake. The term of office of members of Planning Commissioners shall commence on March 1st and terminate on the last date of February. The terms of the members of the Planning Commission shall be four years, except that each Planning Commissioner shall serve at the pleasure of the City Council and may be removed from office by majority vote of the City Council at any time.

DISCUSSION:

The City of Woodlake Planning Commission currently has 2 (two) vacancies, Planning Commissioner Paul Lira has submitted a letter of resignation (attached), effective immediately and there is one vacant position. Applications have been submitted by Chuck Mann and Xavier Bocanegra to be appointed to the Planning Commission Board. The applications are attached for Council review. The terms will expire in 2018.

RECOMMENDATIONS:

There is no staff recommendation.

FISCAL IMPACT:

There is no fiscal impact.

ATTACHMENTS:

1. Adoption of Resolution: Appoint Chuck Mann and Xavier Bocanegra to Fill the Vacancies on the Planning Commission Board
2. Woodlake Planning Commissioner Lira Resignation Letter
3. Woodlake Planning Commissioner Applicant Mann
4. Woodlake Planning Commissioner Applicant Bocanegra

BEFORE THE CITY COUNCIL
OF THE CITY OF WOODLAKE
COUNTY OF TULARE
STATE OF CALIFORNIA

In the matter of:

APPOINT CHUCK MANN AND)
XAVIER BOCANEGRA TO FILL)
VACANCY ON PLANNING COMMISSON BOARD)

Resolution No.

Councilmember _____, offered the following resolution and moved its adoption. Appoint Chuck Man and Xavier Bocanegra to fill the vacancies on the Planning Commission Board.

WHEREAS, the City of Woodlake Planning Commission Board is composed of five members who reside within the city limits of the City of Woodlake; and

WHEREAS, the term of the office of members of Planning Commissioners shall commence on March 1st and terminate on the last date of February. The terms of the members shall be four years; and

WHEREAS, the Woodlake City Council accepts Paul Lira's letter of resignation; and

WHEREAS, each Planning Commissioner shall serve at the pleasure of the City Council and may be removed from office by majority vote of the City Council at any time.

NOW, THEREFORE, THE CITY OF WOODLAKE DOES RESOLVE to appoint Chuck Mann and Xavier Bocanegra to fill the vacancy on the Planning Commission Board.

The foregoing resolution was adopted upon a motion of Councilmember _____, and seconded by Councilmember _____, and carried by the following vote at the City Council meeting held on August 28, 2017.

AYES:
NOES:
ABSTAIN:
ABSENT:

Rudy Mendoza, Mayor

ATTEST:

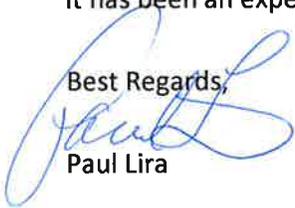
Irene Zacarias, City Clerk

August 24, 2017

City Of Woodlake
City Clerks Office
350 N. Valencia Blvd
Woodlake CA 93286

I, Paul Lira hereby resign my position as a City Planning Commissioner for the City of Woodlake immediately. I would like to take a moment to say thank you for the opportunity to serve over the years it has been an experience I will always take with me.

Best Regards,

A handwritten signature in blue ink, appearing to read "Paul Lira", is written over the typed name. The signature is fluid and cursive.

Paul Lira



City of Woodlake
Planning Commission Vacancy Application
 City Hall – 350 N Valencia, Blvd. – Woodlake, CA 93286 – (559) 564-8055

NAME OF APPLICANT <u>Charles F. Mann</u>	TELEPHONE NUMBER <u>559-564-8511</u>
PERSONAL ADDRESS (physical address)	
<u>789 N. Palm</u>	
<u>Woodlake, CA</u>	<u>93286</u>

REASON FOR WANTING TO BE ON PLANNING COMMISSION

Was asked to apply as one of the members is leaving
To learn more about how the planning commission works

RELEVANT EXPERIENCE AND QUALIFICATIONS

Worked on an Ag Research Station for 40 years. Was able to be
part of the layout of fields and irrigation systems when the station
was first built. Been in charge of laying out blocks of trees and
field crops to do research work on. layout and installation of irrigation
systems.

PERSONAL IDEAS AND PROPOSALS TO IMPROVE THE CITY

To try and keep houses and buildings orientated to the
streets that are already in place

I hereby certify under penalty of perjury that the above information is correct.

Signature Charles F. Mann

Date 5/18/17

Printed Name Charles F. Mann

Please attach a resume with this application.

All information on this application and any attachments will be made public.

Resume

Name: Charles F. Mann

Address 789 N. Palm

[Tel:\(559\)564-8511](tel:(559)564-8511)

Education:

College of the Sequoias, Visalia, Ca General Education and Ag Classes

1971-1973

Woodlake High School- High School Diploma, June 1971

Work Experience:

2015-2017: Retired

2008-2015: Part time for Syngenta Crop Protection

2007: Consultant for Syngenta Seeds for a Corn Drought Study

2006: Semi Retired

2006-1973: Senior Field Research Technician for Syngenta Crop Protection



City of Woodlake
Planning Commission Vacancy Application
City Hall – 350 N Valencia, Blvd. – Woodlake, CA 93286 – (559) 564-8055

NAME OF APPLICANT	TELEPHONE NUMBER
XAVIER BOCANEGRA	559 799-8451
PERSONAL ADDRESS (physical address)	
253 N PEPPER ST, WOODLAKE, CA, 93286	

REASON FOR WANTING TO BE ON PLANNING COMMISSION

BECOME MORE INVOLVED WITH THE CITY AND GROWTH OF COMMUNITY.

RELEVANT EXPERIENCE AND QUALIFICATIONS

CONSTRUCTION EXP 30 YEARS,
GOOD PEOPLE SKILLS, ABILITY TO WORK WELL WITH OTHERS.

PERSONAL IDEAS AND PROPOSALS TO IMPROVE THE CITY

MORE YOUTH CLUBS, TO KEEP KIDS OFF STREETS AND OUT OF GANGS.

EXAMPLE: ① BIKE CLUB, PROMOTES FITNESS AND RESPONSIBILITY

I hereby certify under penalty of perjury that the above information is correct.

Signature Xavier Bocanegra Jr
Printed Name XAVIER BOCANEGRA JR

Date 8-24-17

Please attach a resume with this application.

All information on this application and any attachments will be made public.

City of Woodlake

AGENDA ITEM V-D

August 28, 2017

Prepared by Jason Waters, City Staff

SUBJECT:

Action: Adoption of Resolutions: Affirm, Modify or Deny Appeal from Mr. Cabrera

BACKGROUND:

Mr. Cabrera has submitted an appeal letter regarding his property at APN 060-114-005.

DISCUSSION:

The purpose of this appeal is to give Mr. Cabrera the opportunity to appeal an administrative fine received on APN 060-114-005. Mr. Cabrera's appeal and the City's response to the appeal are attached with this item. Mr. Cabrera's appeal was previously denied by the Planning Commission. The City Council may affirm, modify or deny the appeal from Mr. Cabrera.

RECOMMENDATIONS:

City staff recommends that Council deny the appeal.

FISCAL IMPACT:

None

ATTACHMENTS:

1. Resolution: Affirm, Modify or Deny Appeal from Mr. Cabrera
2. City Letter
3. Mr. Cabrera Letter

BEFORE THE CITY COUNCIL
OF THE CITY OF WOODLAKE
COUNTY OF TULARE
STATE OF CALIFORNIA

In the matter of:

AFFIRM, MODIFY OR DENY APPEAL)
FROM MR. CABRERA) Resolution No.

Councilmember offered the following resolution and moved its adoption. Affirm, Modify or Deny Appeal from Mr. Cabrera.

WHEREAS, Mr. Cabrera wishes to appeal a decision by the planning department regarding an administrative citation on APN 060-114-005

WHEREAS, the City of Woodlake Planning Commission held a hearing regarding the citation and denied the appeal; and

WHEREAS, the Mr. Cabrera wishes to appeal the Planning Commission decision to the City Council; and

NOW, THEREFORE, BE IT RESOLVED that the City Council denies/affirms/modifies Mr. Cabrera’s appeal.

The foregoing resolution was adopted upon a motion of Councilmember, and seconded by Councilmember, and carried by the following vote at the City Council meeting held on August 28, 2017.

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Rudy Mendoza, Mayor

ATTEST:

Irene Zacarias, City Clerk

June 14, 2017

Mr. Cabrera
146 N. Palm St
Woodlake, CA 93286

RE: Hearing for the Property at APN 060-114-005

Mr. Cabrera,

Thank you for taking the time to attend your appeal hearing with the City regarding your property located at APN 060-114-005. The appeal was in regards to an administrative citation issued on the property due to a zoning violation. The City has listed your requests below with the City's responses to those requests.

1. Request to use the property as a parking lot.

The City finds that due to the property's zoning and current use, the property cannot be used as a parking lot. The following City Ordinances apply:

Chapter 17.20 – PO Zone

The property is zoned for Professional Offices. The uses for this property are limited to office space, pharmacies and medical offices, medical and dental clinics, single and multi-family use (in accordance with RM-3 district), utility infrastructure, public parks and accessory uses.

None of the allowed or conditional uses within the PO Zone authorize the use of the property for a parking lot.

2. Request to keep the metal poles/fencing on the property line for security purposes.

The City finds that due to the property's zoning and building code requirements, the site cannot have metal poles and that they must be removed. The following City Ordinances apply:

Chapter 17.20 – PO Zone

The property is zoned for Professional Office which may allow for perimeter fencing when the parcel has a use consistent with the uses allowed in the PO Zone. The property is vacant and not currently being used for any allowed uses.

Chapter 14.04 – Construction Codes

The poles were installed without seeking building permits from the City of Woodlake. The installation of any structures or fencing require building permits and inspection. The City requires that unpermitted structures be removed.

3. Request to prevent trespassing.

The City requests that the parcel owners immediately contact the City of Woodlake Police Department when trespassers enter the property without the permission of the property owner.

In summary, the City requires that the metal poles be removed and that the property no longer be used for the storage of vehicles.

If you wish to contest the City's findings you may request a hearing from the Planning Commission to further appeal the City's decision. Please let me know if you have any comments, questions, or concerns related to the City's requests.

A handwritten signature in blue ink, appearing to read "Jason Waters". The signature is stylized and cursive.

Jason Waters
City of Woodlake

City of Woodlake

AGENDA ITEM V-E

August 28, 2017

Prepared by Jason Waters City Staff

SUBJECT:

Action: Adoption of Resolutions:

- 1) Authorize the Execution of an Amended and Restated Joint Exercise of Powers Agreement Relating to the Woodlake Public Financing Authority;
- 2) Approve New Debt Management Policy in Compliance With SB 1029;
- 3) Authorize Lease/Leaseback Financing and the Execution and Deliver of Certificates of Participation to Finance Community Center Project and Approving Related Documents and Actions;
- 4) Authorize and Provide for the Incurrence of Indebtedness for the Purpose of Providing a Portion of the Cost of Acquiring, Constructing, Enlarging, Improving and/or Extending its 2016 Community Center Facility to Serve an Area Lawfully Within its Jurisdiction to Serve.

BACKGROUND:

At the April 27, 2015 City Council Meeting, Council authorized staff to enter into an agreement with the Woodlake Lions Club which allowed the City to acquire property that would allow the City to build the Woodlake Plaza and the Woodlake Community Center. Staff received authorization from Council to apply for a USDA loan to build the Community Center at the August 10, 2015 City Council Meeting. Council authorized Staff to put the project out to bid on May 22, 2017. Council awarded the construction of the Community Center to Klassen Corporation at the August 21, 2017 City Council meeting.

DISCUSSION:

As part of the next steps for the Community Center Project, the City, working together with the Woodlake Public Financing Authority and Woodlake Housing Authority, need to authorize the financing related to the Community Center. The attached documents and resolutions provide information and grant the City the authority to finance the project by causing the execution and delivery of certificates of participation in the principal amount of \$3,000,000 with an interest rate of 2.875%.

The City will issue a series of Certificates of Participation, in the maximum principal amount of \$3,000,000, under the Trust Agreement. The Certificates represent interests that the purchaser (USDA) has in installment payments to be paid by the City under the Installment Sale Agreement (described below). The Finance Director will make the payments of principal and interest due on the Certificates to USDA.

RECOMMENDATIONS:

Staff recommends that Council Authorize the Execution of the Resolutions.

FISCAL IMPACT:

The agreement obligates the City to make semi-annual installment payments from the General Fund which will be used to pay principal and interest due on the Certificates until final maturity. The overall project is being funded by the General Fund, Water Fund and Sewer Fund.

ATTACHMENTS:

1. Amended JPA Agreement
2. Resolution: Authorize the Execution of an Amended and Restated Joint Exercise of Powers Agreement relating to the Woodlake Public Financing Authority
3. Debt Management Policy
4. Resolution: Approve New Debt Management Policy in Compliance With SB 1029;
5. Site and Facilities Lease
6. Lease Agreement
7. Trust Agreement
8. Resolution: Authorize Lease/Leaseback Financing and the Execution and Deliver of Certificates of Participation to Finance Community Center Project and Approving Related Documents and Actions
9. Resolution: Authorize and Provide for the Incurrence of Indebtedness for the Purpose of Providing a Portion of the Cost of Acquiring, Constructing, Enlarging, Improving and/or Extending its 2016 Community Center Facility to Serve an Area Lawfully Within its Jurisdiction to Serve

**AMENDED AND RESTATED
JOINT EXERCISE OF POWERS AGREEMENT**

WOODLAKE PUBLIC FINANCING AUTHORITY

THIS AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT (the “Agreement”), dated as of _____, 2017, is between the CITY OF WOODLAKE, a municipal corporation and general law city organized and existing under the laws of the State of California (the “City”), and the WOODLAKE HOUSING AUTHORITY, a public, corporate instrumentality duly organized and existing under the laws of the State of California (the “Housing Authority”).

B A C K G R O U N D :

1. The City and the Woodlake Redevelopment Agency (the “RDA”) entered into a Joint Exercise of Powers Agreement dated August 1, 2007 (the “Original Agreement”) creating the Woodlake Public Financing Authority (the “Authority”) under Articles 1, 2 and 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”).

2. Pursuant to ABx1 26, passed by the Legislature of the State of California and signed by the Governor of the State of California in June 2011, and the California Supreme Court’s decision in *California Redevelopment Assn. v. Matosantos*, all redevelopment agencies in California, including the RDA, were dissolved on February 1, 2012. The City Council elected to serve as Successor Agency to the RDA.

3. The City and the Housing Authority have agreed to enter into this Agreement, and to substitute the Housing Authority for the RDA as a member of the Authority, in order to resolve any uncertainty as to the status of the Authority, and to ensure its continued existence in the future after its current obligations have been satisfied.

A G R E E M E N T :

For and in consideration of the premises and the material covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 have the meanings herein specified.

“Act” means Articles 1, 2 and 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, as amended.

“Agreement” means this Amended and Restated Joint Exercise of Powers Agreement, as it may be further amended from time to time, creating the Authority.

“Authority” means the Woodlake Public Financing Authority created by the Original Agreement, and whose existence is continued under this Agreement.

“Board” means the governing board of the Authority.

“Bonds” means bonds and any other evidence of indebtedness of the Authority duly authorized and issued by the Authority.

“City” means City of Woodlake, a municipal corporation and general law city organized and existing under the laws of the State of California.

“Housing Authority” means the Woodlake Housing Authority, a public, corporate instrumentality duly organized and existing under the laws of the State of California.

“Member” or “Members” means the members of the Authority from time to time as may be modified in accordance with this Agreement. As of the date of this Agreement, the Members are the City and the Housing Authority.

“Original Agreement” means the Joint Exercise of Powers Agreement dated August 1, 2007, between the City and the RDA, which created the Authority.

Section 2. Purpose. This agreement is entered into under the Act for the purpose of assisting in the financing and refinancing of certain public programs and projects of the Members, and assisting in the financing and refinancing of public capital improvements, as defined in the Act, for the benefit of the Members by exercising the powers of the Authority described in Section 5 and conferred by the Act.

Section 3. Term. This Agreement supersedes the Original Agreement and takes effect as of the date hereof and continues in full force and effect until terminated by the Members, as evidenced by a resolution adopted by the governing board of each respective Member. However, in no event shall this Agreement terminate while any Bonds or other obligations of the Authority remain outstanding under the terms of any indenture, trust agreement, contract, agreement, lease, sublease or other instrument under which such Bonds are issued or other obligations are incurred.

The Authority shall cause all records regarding its formation, existence, any Bonds issued by it, obligations incurred by it and proceedings pertaining to its termination to be retained for at least six years following termination of the Authority or final payment of any Bonds, whichever is later.

Section 4. The Authority.

(a) Status of Authority. There is hereby continued under the Act an agency and public entity to be known as the “Woodlake Public Financing Authority.” As provided in the Act, the Authority is and will be a public entity separate from the Members. The debts, liabilities and obligations of the Authority do not and shall not constitute debts, liabilities or obligations of the Members.

Within 30 days after the effective date of this Agreement, and of any further amendment hereto in the future, the Authority will cause a notice of this Agreement or any future amendment to be prepared and filed with the office of the California Secretary of State in the manner set forth in Section 6503.5 of the Act.

(b) Governing Board. The Authority shall be administered by the Board whose members shall be, at all times, the members of the City Council of the City from time to time. The term of office as a member of the Board will terminate when such member of the Board ceases to be a

member of the City Council of the City; and the successor to such member of the City Council of the City will become a member of the Board upon assuming such office. Members of the Board will not receive any compensation for serving as such, but are entitled to reimbursement for any expenses actually incurred in connection with serving as a member if the Board determines that such expenses will be reimbursed, and unencumbered funds are available for that purpose.

(c) Meetings of Board.

(i) Time and Place. The time and place for holding Board meetings shall be established, and may be changed at any time, by resolution of the Board. Initially, meetings shall be held as follows:

(1) The Board shall conduct regular meetings on the same date, at the same time and at the same location as the regular meetings of the City Council of the City. Such regular meetings may occur either during or after the regular meetings of the City Council, but may not commence earlier than the starting time for the regular meetings of the City Council. If the Secretary does not post an agenda for a regular meeting pursuant to Government Code Section 54954.21, then such failure to post shall be deemed to be a determination by the Chair that no items required discussion and, therefore, that the regular meeting has been cancelled, except as otherwise provided in Section 54954.2.

(2) The Board may hold special meetings at any time and from time to time in accordance with law.

(ii) Legal Notice. All meetings of the Board will be called, noticed, held and conducted subject to the provisions of the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California), or any successor legislation hereinafter enacted.

(iii) Minutes. The Board will cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to the Members.

(iv) Quorum. A majority of the members of the Board constitute a quorum for the transaction of business, except that less than a quorum may adjourn meetings from time to time.

(d) Officers; Duties; Bonds. The Officers of the Authority shall be the Chair, Vice-Chair, Secretary and Treasurer.

(i) The Board shall elect a Chair and Vice-Chair from among the members of the Board, and shall appoint a Secretary who may, but need not, be a member of the Board. The officers shall perform the duties normal to their respective offices. The Chair shall sign all contracts on behalf of the Authority, and shall perform such other duties as may be imposed by the Board. The Vice Chair shall act, sign contracts, and perform all of the Chair's duties in the absence of the Chair. The Secretary shall perform such duties as may be imposed by the Board and cause a copy of this Agreement to be filed with the California Secretary of State pursuant to the Act. These officers shall have such additional powers and duties as may be determined by the Board from time to time by resolution.

(ii) Pursuant to Section 6505.6 of the Act, the Director of Finance of the City is hereby designated as the Treasurer of the Authority. The Treasurer shall be the depository, shall have the duties and obligations set forth in section 6505 and 6505.5 of the Act and shall assure that there shall be strict accountability of all funds and reporting of all receipts and disbursements of the Authority. Pursuant to section 6505.1 of the Act, the Treasurer shall have charge of, handle and have access to all accounts, funds, and money of the Authority and all records of the Authority relating thereto; and the Secretary shall have charge of, handle and have access to all other records of the Authority.

(iii) So long as required by Section 6505 and Section 6505.5 of the Act, the Treasurer shall prepare or cause to be prepared a special audit as required under Section 6505 of the Act every year during the term of this Agreement.

(iv) The City shall determine the charges, if any, to be made against the Authority for the services of the Treasurer.

(v) The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

(vi) All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, worker's compensation and other benefits which apply to the activities of officers, agents or employees of the Members when performing their respective functions within the territorial limits of their respective Member, shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties extraterritorially under the provisions of this Agreement.

(vii) None of the officers, agents or employees, if any, directly employed by the Authority shall be deemed, by reason of their employment by the Authority, to be employed by any Member or, by reason of their employment by the Authority, to be subject to any of the requirements of any Member.

Section 5. Powers. The Authority shall have the following powers: (a) all powers separately conferred upon joint exercise of powers authorities under California law, including without limitation the Act, and (b) any and all powers that are common powers of the Members. All such powers, whether separately conferred by law or common to the Members, are specified as powers of the Authority except any such powers that are specifically prohibited to the Authority by law. The Authority's exercise of its powers is subject to the restrictions upon the manner of exercising the powers of the City.

The Authority is authorized, in its own name, to do all acts necessary for the exercise of said powers. Notwithstanding the foregoing, the Authority has any additional powers conferred under the Act or under applicable law, insofar as such additional powers may be necessary to accomplish the purposes set forth in Section 2.

Section 6. Fiscal Year. Unless and until changed by resolution of the Board, the fiscal year of the Authority is the period from July 1 of each year to and including the following June 30.

Section 7. Disposition of Assets. Upon termination of this Agreement under Section 3, any surplus money in possession of the Authority or on deposit in any fund or account of the

Authority will be returned in proportion to any contributions made as required by Section 6512 of the Act. The Board is vested with all powers of the Authority for the purpose of concluding and dissolving the business affairs of the Authority. After rescission or termination of this Agreement under Section 3, all property of the Authority, both real and personal, shall be distributed to the City, subject to Section 8.

Section 8. Contributions and Advances. Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by the Members for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of any such contribution. Any such advance made in respect of a revenue-producing facility shall be made subject to repayment, and will be repaid, in the manner agreed upon by the respective Member making the contribution and the Authority as provided by 6512.1 of the Act. It is mutually understood and agreed that no Member has any obligation to make advances or contributions to the Authority to provide for the costs and expenses of administration of the Authority, even though either may do so. Any member may allow the use of personnel, equipment or property in lieu of other contributions or advances to the Authority.

Section 9. Conflict of Interest Code. The Authority hereby adopts the conflict of interest code of the City as the conflict of interest code governing the Authority.

Section 10. Breach; Remedies. If any Member defaults in any covenant contained in this Agreement, such default will not excuse any other Member from fulfilling its obligations under this Agreement, and each other Member will continue to be liable for the payment of contributions and the performance of all conditions herein contained.

The Members hereby declare that this Agreement is entered into for the benefit of the Authority, and the Members hereby grant to the Authority the right to enforce by whatever lawful means the Authority deems appropriate all of the obligations of each of the Members hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

Section 11. Notices. Notices and other communications hereunder to the Members shall be sufficient if delivered to the clerk or secretary of the governing body of each Member.

Section 12. Addition of Member.

(a) Any public agency may be added as a party to this Agreement, and become a Member, by filing with the Board a certified copy of a resolution of the governing body of such public agency whereby it agrees to the provisions of this Agreement and requests to become a Member. The Board may accept or reject any such proposal in its sole discretion, and if accepted, such public agency shall become a Member when (i) its admission is approved by a vote of a majority of the Board voting on the matter and (ii) such public agency deposits or agrees to deposit with the Authority an amount equal to such share of the costs and expenses incurred by the Authority prior to the date of admission of such public agency as a Member.

(b) Upon satisfaction of the provisions of subsection (a) above, such public agency shall be a Member for all purposes of this Agreement. The effectiveness of such membership shall not constitute an amendment or modification of this Agreement.

Section 13. Withdrawal or Exclusion of a Member.

(a) Any Member may withdraw from the Authority by filing with the Board a certified copy of a resolution of the governing body of the Member expressing its desire to so withdraw, whereupon the withdrawing Member shall no longer be considered a Member for any reason or purpose under this Agreement and its rights and obligations under this Agreement shall terminate.

Any Member that is dissolved or ceases to exist for any reason shall be deemed to have withdrawn from this Agreement as of the date of such Member's dissolution.

The withdrawal of a Member shall not affect any obligations of such Member under any contract between the withdrawing Member and the Authority.

(b) Any Member that has defaulted under a contract with the Authority may have its rights under this Agreement terminated and may be excluded from participating in the Authority by a vote of a majority of the members of the Board of Directors voting on the matter (excluding from voting the members of the Board of Directors, if any, representing the defaulting Member). Any excluded Member shall continue to be liable for its obligations under any contract with the Authority.

(c) No withdrawal from membership or exclusion from participation under this Section shall constitute an amendment or modification of this Agreement.

Section 14. Severability. If any part, term, or provision of this Agreement is decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof will not be affected thereby.

Section 15. Successors; Assignment. This Agreement is binding on and inures to the benefit of the successors of the Members. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the written consent of the other Members.

Section 16. Amendment. This Agreement may be amended at any time by supplemental agreement executed by all of the Members. However, any such supplemental agreement is subject to any restrictions contained in any documents related to outstanding Bonds or other obligations of the Authority.

Section 17. Waiver of Personal Liability. No member, officer or employee of the Authority or any Member is individually or personally liable for any Bonds or any claims, losses, damages, costs, injury and liability of every kind, nature and description arising from the actions of the Authority or the actions undertaken under this Agreement.

To the full extent permitted by law, the Board shall provide for indemnification by the Authority of any person who is or was a member of the Board, or an officer, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a member of the Board, or an officer, employee or other agent of the Authority, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in the course and scope of his or her office, employment or agency. In the case of a criminal proceeding, the Board may provide for indemnification and defense of a

member of the Board, or an officer, employee or other agent of the Authority to the extent permitted by law.

Section 18. Miscellaneous. This 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.

Where reference is made to duties to be performed for the Authority by a public official or employee, such duties may be performed by that person's duly authorized deputy or assistant. Where reference is made to actions to be taken by a Member, such action may be exercised through the officers, staff or employees of that Member in the manner provided by law.

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 Agreement.

This Agreement is the complete and exclusive statement of the agreement among the parties with respect to the subject matter hereof, which supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between the parties relating to the subject matter of this Agreement.

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

CITY OF WOODLAKE

Attest

By _____
City Clerk

By _____
City Administrator

WOODLAKE HOUSING AUTHORITY

By _____
Executive Director

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAKE
AUTHORIZING THE EXECUTION OF AN AMENDED AND RESTATED
JOINT EXERCISE OF POWERS AGREEMENT RELATING TO THE
WOODLAKE PUBLIC FINANCING AUTHORITY**

RESOLVED, by the City Council (the "Council") of the City of Woodlake (the "City"), that:

WHEREAS, the City and the Woodlake Redevelopment Agency (the "RDA") entered into a Joint Exercise of Powers Agreement dated August 1, 2007 (the "Original Agreement") creating the Woodlake Public Financing Authority (the "Authority") under Articles 1, 2 and 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"); and

WHEREAS, by action of the California legislature, as confirmed by the California Supreme Court, all redevelopment agencies in California, including the RDA, were dissolved on February 1, 2012; and

WHEREAS, the City and the Woodlake Housing Authority (the "Housing Authority") have agreed to enter into an Amended and Restated Joint Exercise of Powers Agreement (the "Amended Agreement"), and to substitute the Housing Authority for the RDA as a member of the Authority, in order to resolve any uncertainty as to the status of the Authority, and to ensure its continued existence in the future after its current obligations have been satisfied; and

WHEREAS, there has been presented to this meeting a proposed form of the Amended Agreement, by and between the City and the Housing Authority; and

WHEREAS, under California law and the Amended Agreement, the Authority is and will continue to be a public entity separate and apart from its members, and the debts, liabilities and obligations of the Authority will not be the debts, liabilities or obligations of its members or of its board members;

NOW, THEREFORE, it is hereby **ORDERED and DETERMINED**, as follows:

Section 1. Approval of Amended Agreement. The Amended Agreement, in substantially the form on file with the City Clerk, is hereby approved. The Mayor or Vice Mayor, the City Administrator, the Finance Director, the City Clerk, and the City Attorney (each an "Authorized Officer"), each acting alone, are hereby authorized and directed, for and on behalf of the City, to execute and deliver the Amended Agreement, in substantially said form, with such changes and insertions therein and an Authorized Officer, with the advice of bond counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 2. Official Actions and Filings. The Authorized Officers are hereby authorized and directed, for and on behalf of the City, to take any and all other actions consistent with the purposes of this Resolution.

The firm of Jones Hall, A Professional Law Corporation, as bond counsel to City, is hereby authorized and directed to cause to be prepared, executed and filed any and all reports, statements and other documents as may be required in connection with the execution of the Amended Agreement.

Section 3. This Resolution shall take effect upon its adoption.

* * * * *

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the City Council of the City of Woodlake in regular meeting assembled on the _____ day of August, 2017, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Woodlake this __th day of August, 2017.

City Clerk of the
City of Woodlake

DEBT MANAGEMENT POLICY

This Debt Management Policy (the “Debt Policy”) of the City of Woodlake (the “Issuer”) was approved by the Issuer’s City Council on _____, 2017. The Debt Policy may be amended by the City Council as it deems appropriate from time to time in the prudent management of the debt of the Issuer. This Debt Policy applies to the Issuer and all subordinate entities of the Issuer for which the City Council serves as the governing board.

1. Findings

This Debt Policy is intended to comply with Government Code Section 8855(i), effective on January 1, 2017, and shall govern all debt undertaken by the Issuer.

The Issuer hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the Issuer’s sound financial position.
- Ensure the Issuer has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the Issuer’s credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the Issuer.
- Ensure that the Issuer’s debt is consistent with the Issuer’s planning goals and objectives and capital improvement program or budget, as applicable.

2. Policies

A. Purposes For Which Debt May Be Issued

(i) Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the Issuer.

(a) Long-term debt financings are appropriate when the following conditions exist:

- When the project to be financed is necessary to provide basic services.
- When the project to be financed will provide benefit to constituents over multiple years.
- When total debt does not constitute an unreasonable burden to the Issuer and its taxpayers and ratepayers.
- When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.

(b) Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses.

(c) The Issuer may use long-term debt financings subject to the following conditions:

- The project to be financed must be approved by the City Council.
- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%.
- The Issuer estimates that sufficient revenues will be available to service the debt through its maturity.
- The Issuer determines that the issuance of the debt will comply with the applicable state and federal law.

(ii) Short-term debt. Short-term debt may be issued to provide financing for the Issuer's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the Issuer may undertake lease-purchase financing for equipment.

(iii) Financings on Behalf of Other Entities. The Issuer may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of Issuer. In such cases, the Issuer shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

B. Types of Debt

The following types of debt are allowable under this Debt Policy:

- general obligation bonds
- bond or grant anticipation notes
- lease revenue bonds, certificates of participation and lease-purchase transactions
- other revenue bonds and certificates of participation
- tax and revenue anticipation notes
- land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
- tax increment financing to the extent permitted under state law
- conduit financings, such as financings for affordable rental housing and qualified 501c3 organizations

The Issuer may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

Debt shall be issued as fixed rate debt unless the Issuer makes a specific determination as to why a variable rate issue would be beneficial to the Issuer in a specific circumstance.

C. Relationship of Debt to Capital Improvement Program and Budget

The Issuer is committed to long-term capital planning. The Issuer intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the Issuer's capital budget and the capital improvement plan.

The Issuer shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The Issuer shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The Issuer shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the Issuer's public purposes.

The Issuer shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

The Issuer shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

D. Policy Goals Related to Planning Goals and Objectives

The Issuer is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The Issuer intends to issue debt for the purposes stated in this Policy and to implement policy decisions incorporated in the Issuer's annual operations budget.

It is a policy goal of the Issuer to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The Issuer will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the Issuer to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings equal to or greater than 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to or greater than 100% of any escrow fund negative arbitrage.

E. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the Issuer shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The Issuer will periodically review the requirements of and will remain in compliance with the following:

- any continuing disclosure undertakings under SEC Rule 15c2-12,
- any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- the Issuer's investment policies as they relate to the investment of bond proceeds.

Proceeds of debt will be held either (a) by a third-party trustee, which will disburse such proceeds to the Issuer upon the submission of one or more written requisitions, or (b) by the Issuer, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the Issuer.

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAKE
APPROVING A NEW DEBT MANAGEMENT POLICY IN COMPLIANCE
WITH SB 1029**

RESOLVED, by the City Council (the "Council") of the City of Woodlake (the "City"), that:

WHEREAS, SB 1029 (amending Government Code section 8855) has been signed into law and imposes a new requirement on local government agencies who will issue debt in 2017 and thereafter; and

WHEREAS, the City will be an issuer of new debt in 2017 and thereafter within the meaning of SB 1029; and

WHEREAS, the Council desires to adopt a "Debt Management Policy" to facilitate and better manage the new debt issued after January 1, 2017, and to comply with the requirements of SB 1029;

NOW, THEREFORE, it is hereby **ORDERED and DETERMINED**, as follows:

Section 1. Approval of Debt Management Policy. The Debt Management Policy, in substantially the form attached as Exhibit A hereto, is hereby approved. The Mayor or Vice Mayor, the City Administrator, the Finance Director, the City Clerk, and other City officials involved in managing City debt are advised to comply with the policies set forth in the Debt Management Policy.

Section 2. This Resolution shall take effect upon its adoption.

* * * * *

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the City Council of the City of Woodlake in regular meeting assembled on the _____ day of August, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Woodlake this ___th day of August, 2017.

City Clerk of the
City of Woodlake

TO BE RECORDED AND WHEN RECORDED
PLEASE RETURN TO:

Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Scott R. Ferguson, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE.
THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383
OF THE CALIFORNIA GOVERNMENT CODE.

SITE AND FACILITIES LEASE

Dated as of _____ 1, 2017

by and between

**CITY OF WOODLAKE,
as lessor**

and

**WOODLAKE PUBLIC FINANCING AUTHORITY,
as lessee**

Relating to

**\$3,000,000
City of Woodlake
Lease Revenue Certificates of Participation
Series 2017**

SITE AND FACILITIES LEASE

THIS SITE AND FACILITIES LEASE (this "Site and Facilities Lease"), dated as of _____ 1, 2017, is by and between the WOODLAKE PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the "Authority"), and the CITY OF WOODLAKE, a municipal corporation and general law city organized and existing under the laws of the State of California (the "City");

WITNESSETH:

WHEREAS, the City wishes to finance the acquisition, construction and improvement of certain facilities and improvements to be owned and operated by the City, consisting generally of a new community center to be located at 169 North Magnolia Street, Woodlake, California, and related publicly owned improvements (the "Project"); and

WHEREAS, the Authority was formed for the purposes of, among other things, assisting the City in financing the acquisition, construction and improvement of public capital improvements, such as the Project; and

WHEREAS, in order to finance the Project, the City wishes to enter into this Site and Facilities Lease, under which it will lease the site on which the Project is located, consisting of the real property as set forth in Exhibit A hereto (the "Site and Facilities") to the Authority, and to simultaneously enter into a Lease Agreement, dated as of _____ 1, 2017, and recorded concurrently herewith, between the Authority, as lessor, and the City, as lessee (the "Lease Agreement"), under which the City will lease the Site and Facilities from the Authority in return for semiannual payments (the "Lease Payments"); and

WHEREAS, the Authority will assign and transfer certain of its rights under the Lease Agreement to the Finance Director of the City, as trust administrator (the "Trust Administrator"), under an Assignment Agreement dated as of _____ 1, 2017, and recorded concurrently herewith, between the Authority and the Trust Administrator; and

WHEREAS, in consideration of such assignment and the execution of a Trust Agreement dated as of _____ 1, 2017, by and among the Trust Administrator, the Authority and the City, the Trust Administrator will execute and deliver the \$3,000,000 aggregate principal amount of Lease Revenue Certificates of Participation, Series 2017 (the "Certificates"), each evidencing a direct, undivided fractional interest in the Lease Payments to be paid by the City under the Lease Agreement;

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. *Site and Facilities Lease.* The City hereby leases the Site and Facilities to the Authority, and the Authority hereby leases the Site and Facilities from the City, on the terms and conditions hereinafter set forth.

SECTION 2. *Term; Possession.* The term of this Site and Facilities Lease shall commence on the date of its recordation. This Site and Facilities Lease shall end, and the right of the Authority hereunder to possession of the Site and Facilities shall thereupon cease, on November 1, 2056, or such earlier or later date on which the Lease Payments (as such term is defined in the Lease Agreement) are paid in full or provisions made for such payment, as provided in the Lease Agreement.

SECTION 3. *Rental.* The Authority shall pay to the City, as and for rental of the Site and Facilities hereunder, the sum of \$3,000,000, which shall become due and payable upon the execution and delivery hereof, and which shall be paid by the Authority from proceeds of the Certificates executed and delivered pursuant to the Trust Agreement. The City shall deposit such amount in the Project Fund to be held and administered by the Trust Administrator for the sole purpose of acquiring and constructing the Project. The Authority and the City hereby find and determine that the amount of such rental does not exceed the fair market value of the leasehold interest in the Site and Facilities which is conveyed hereunder by the City to the Authority. No other amounts of rental shall be due and payable by the Authority for the use and occupancy of the Site and Facilities under this Site and Facilities Lease.

SECTION 4. *Purposes Hereof.* The Authority shall use the Site and Facilities for the sole purpose of leasing the Site and Facilities back to the City pursuant to the Lease Agreement.

SECTION 5. *Assignments and Subleases.* Unless the City is in default under the Lease Agreement, the Authority may not assign its rights under this Site and Facilities Lease or sublet all or any portion of the Site and Facilities, except as provided in the Lease Agreement, without the prior written consent of the City.

SECTION 6. *Right of Entry.* The City reserves the right for any of its duly authorized representatives to enter upon the Site and Facilities, or any portion thereof, at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

SECTION 7. *Termination.* The Authority agrees, upon the termination of this Site and Facilities Lease, to quit and surrender the Site and Facilities in the same good order and condition as the Site and Facilities was in at the time of commencement of the term hereof, reasonable wear and tear excepted, and agrees that all buildings, improvements and structures then existing upon the Site and Facilities shall remain thereon and title thereto shall vest thereupon in the City for no additional consideration. The City shall have no right to terminate this Site and Facilities Lease as a remedy for default by the Authority of any obligation of the Authority hereunder.

SECTION 8. *Default.* If the Authority is in default in the performance of any obligation on its part to be performed under the terms of this Site and Facilities Lease, and such default continues for 30 days following notice and demand for correction thereof to the Authority, the City may exercise any and all remedies granted by law, except that no merger of this Site and Facilities Lease and of the Lease Agreement shall be deemed to occur as a result thereof; *provided, however,* that so long as the Lease Agreement, as amended and supplemented, remains in effect, the lease payments payable by the City under the Lease Agreement shall continue to be paid to the Trust Administrator.

SECTION 9. *Quiet Enjoyment.* The Authority at all times during the term of this Site and Facilities Lease shall peaceably and quietly have, hold and enjoy all of the Site and Facilities,

350 North Valencia Blvd.
Woodlake, CA 93286
Fax: 559-564-8776

SECTION 15. *Governing Law.* This Site and Facilities Lease shall be construed in accordance with and governed by the Constitution and laws of the State of California.

SECTION 16. *Binding Effect.* This Site and Facilities Lease shall inure to the benefit of and shall be binding upon the Authority, the City and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 17. *Severability of Invalid Provisions.* If any one or more of the provisions contained in this Site and Facilities Lease is for any reason held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Site and Facilities Lease and such invalidity, illegality or unenforceability shall not affect any other provision of this Site and Facilities Lease, and this Site and Facilities Lease shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority and the City each hereby declares that it would have entered into this Site and Facilities Lease and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Site and Facilities Lease may be held illegal, invalid or unenforceable.

SECTION 18. *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 and Facilities Lease.

SECTION 19. *Execution in Counterparts.* This Site and Facilities 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 lease. It is also agreed that separate counterparts of this Site and Facilities Lease may be separately executed by the Authority and the City, all with the same force and effect as though the same counterpart had been executed by both the Authority and the City.

SECTION 20. *Amendment of Site and Facilities Lease.* The Authority and the City may at any time amend or modify any of the provisions of this Site and Facilities Lease, but only as may be required pursuant to an amendment of the Lease Agreement or with the prior written consent of the Trust Administrator.

SECTION 21. *Third Party Beneficiary.* The Trust Administrator shall be and is hereby made a third-party beneficiary hereunder with all rights of a third party beneficiary.

* * * * *

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

CITY OF WOODLAKE, as *Lessor*

Attest

By _____
City Clerk

By _____
City Administrator

WOODLAKE PUBLIC FINANCING
AUTHORITY, as *Lessee*

Attest

By _____
Secretary

By _____
Executive Director

EXHIBIT A

DESCRIPTION OF THE SITE AND FACILITIES

The land referred to herein is situated in the State of California, County of Tulare, City of Woodlake, and described as follows:

TO BE RECORDED AND WHEN RECORDED
PLEASE RETURN TO:
Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Scott Ferguson, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE.
THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383
OF THE CALIFORNIA GOVERNMENT CODE.

LEASE AGREEMENT

Dated as of _____ 1, 2017

by and between

**WOODLAKE PUBLIC FINANCING AUTHORITY,
as lessor**

and

**CITY OF WOODLAKE,
as lessee**

Relating to

**\$3,000,000
City of Woodlake
Lease Revenue Certificates of Participation
Series 2017**

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LEASE AGREEMENT

This Lease Agreement (this "Lease"), dated as of _____ 1, 2017, is by and between the CITY OF WOODLAKE, a municipal corporation and general law city organized and existing under the laws of the State of California (the "City"), and the WOODLAKE PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the "Authority");

WITNESSETH:

WHEREAS, the City wishes to finance the acquisition, construction and improvement of certain facilities and improvements to be owned and operated by the City, consisting generally of a new community center to be located at 169 North Magnolia Street, Woodlake, California, and related publicly owned improvements (the "Project"); and

WHEREAS, the Authority was formed for the purposes of, among other things, assisting the City in financing the acquisition, construction and improvement of public capital improvements, such as the Project; and

WHEREAS, in order to finance the Project, the City wishes to enter into a Site and Facilities Lease dated as of _____ 1, 2017 (the "Site and Facilities Lease"), and recorded concurrently herewith, between the City, as lessor, and the Authority, as lessee, under which it will lease the site on which the Project is located, consisting of the real property as described in Exhibit A hereto (the "Site and Facilities") to the Authority, and to simultaneously enter into this Lease, under which the City will lease the Site and Facilities from the Authority in return for semiannual payments (the "Lease Payments"); and

WHEREAS, the Authority will assign and transfer certain of its rights under this Lease to the Finance Director of the City, as trust administrator (the "Trust Administrator"), under an Assignment Agreement dated as of _____ 1, 2017, and recorded concurrently herewith, between the Authority and the Trust Administrator; and

WHEREAS, in consideration of such assignment and the execution of a Trust Agreement dated as of _____ 1, 2017, by and among the Trust Administrator, the Authority and the City, the Trust Administrator will execute and deliver the \$3,000,000 aggregate principal amount of Lease Revenue Certificates of Participation, Series 2017 (the "Certificates"), each evidencing a direct, undivided fractional interest in the Lease Payments to be paid by the City under this Lease;

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

ARTICLE I

Definitions

SECTION 1.1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Lease shall have the respective meanings specified in Section 1.01 of the Trust Agreement. In addition, the following terms heretofore defined in this Lease and the following terms defined in this Section 1.1 shall, for all purposes of this Lease, have the respective meanings herein specified.

"Additional Rental Payments" means those payments set forth in Section 4.7.

"Business Day" means a day other than a Saturday, Sunday or legal holiday, on which banking institutions in the State of California, or in any state in which the Office of the Trust Administrator is located, are not closed for corporate trust business.

"Event of Default" means any of the events of default defined as such in Section 8.1.

"Lease Payment Date" means, with respect to any Interest Payment Date, the 5th Business Day immediately preceding such Interest Payment Date.

"Lease Payments" means the amounts payable by the City pursuant to Section 4.4(a), including any prepayment thereof pursuant to Article IX and including any amounts payable upon a delinquency in the payment thereof.

"Moody's" means Moody's Investors Service, or its successors and assigns.

"Permitted Encumbrances" means, as of any time:

(a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the City may permit to remain unpaid pursuant to Article V;

(b) the Site and Facilities Lease, this Lease, the Assignment Agreement, and any other agreement or document contemplated hereunder to be recorded against the Site and Facilities;

(c) liens of any sort existing as of the Closing Date;

(d) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; and

(e) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record and which the City certifies in writing will not materially impair the use of the Site and Facilities for its intended purposes.

"Project" means the acquisition, construction and improvement of the City's new community center to be located at 169 North Magnolia Street, Woodlake, California, and related publicly owned improvements.

"Reserve Fund" means the fund by that name established and held by the Trust Administrator pursuant to the Trust Agreement.

"Site and Facilities" means the real property described as the Site and Facilities in Exhibit A to this Lease, including all buildings and improvements thereon as of the Closing Date, as the Site and Facilities may be substituted or modified from time to time in accordance with the Lease.

"Site and Facilities Lease" means the Site and Facilities Lease dated as of _____ 1, 2017, recorded concurrently herewith, by and between the City as lessor and the Authority as lessee of the Site and Facilities, as originally executed or as thereafter amended pursuant to any duly authorized and executed amendments thereto.

"Site and Facilities Lease Payment" means the payment in the amount of \$3,000,000 which is due and payable under Section 3 of the Site and Facilities Lease as the rental for the Site and Facilities.

"S&P" means Standard & Poor's, a Division of the McGraw-Hill Companies, and its successors and assigns.

"Tax Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Certificates or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of execution and delivery of the Certificates, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Term of this Lease" means the time during which this Lease is in effect, as provided in Section 4.2.

"Trust Administrator" means the Finance Directors of the City of Woodlake, as trust administrator, or any successor thereto acting as Trust Administrator pursuant to the Trust Agreement.

"Trust Agreement" means the Trust Agreement dated as of _____ 1, 2017, by and among the Trust Administrator, the Authority and the City, together with any duly authorized and executed amendments thereto.

SECTION 1.2. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to 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 shall 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; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Lease 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 City. The City makes the following covenants, representations and warranties to the Authority as of the date of the execution and delivery of this Lease:

(a) Due Organization and Existence. The City is a municipal corporation and general law city duly organized and validly existing under the Constitution and the laws of the State of California, has full legal right, power and authority under the laws of the State of California to enter into this Lease, the Site Lease and the Trust Agreement and to carry out and consummate all transactions contemplated hereby and thereby, and by proper action the City has duly authorized the execution and delivery of this Lease, the Site and Facilities Lease and the Trust Agreement.

(b) Due Execution. The representatives of the City executing this Lease, the Site and Facilities Lease and the Trust Agreement have been fully authorized to execute the same pursuant to a resolution duly adopted by the City Council of the City.

(c) Valid, Binding and Enforceable Obligations. This Lease, the Site and Facilities Lease and the Trust Agreement have been duly authorized, executed and delivered by the City and constitute the legal, valid and binding agreements of the City enforceable against the City in accordance with their respective terms.

(d) No Conflicts. The execution and delivery of this Lease, the Site and Facilities Lease, the Trust Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a 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 City 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 City, 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 this Lease, the Site and Facilities Lease and the Trust Agreement or the financial condition, assets, properties or operations of the City or its properties.

(e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the City or of the voters of the City, 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 this Lease, the Site and Facilities Lease or the Trust 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. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, educational or other governmental authority

pending or, to the knowledge of the City after reasonable investigation, threatened against or affecting the City or the assets, properties or operations of the City which, if determined adversely to the City or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Lease, the Site and Facilities Lease or the Trust Agreement, or upon the financial condition, assets, properties or operations of the City, and the City is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, educational or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site and Facilities Lease or the Trust Agreement or the financial conditions, assets, properties or operations of the City or its properties.

(g) Essentiality of Site and Facilities. The Site and Facilities are essential to the operation of the City.

SECTION 2.2. Covenants, Representations and Warranties of the Authority. The Authority makes the following covenants, representations and warranties to the City as the basis for its undertakings herein contained:

(a) Due Organization and Existence. The Authority is a joint exercise of powers authority duly organized and existing under the laws of the State of California, has full legal right, power and authority to enter into this Lease, the Site and Facilities Lease, the Trust Agreement and the Assignment Agreement and to carry out and consummate all transactions contemplated hereby and thereby, and by proper action the Authority has duly authorized the execution and delivery of this Lease, the Site and Facilities Lease, the Trust Agreement and the Assignment Agreement.

(b) Due Execution. The representatives of the Authority executing this Lease, the Site and Facilities Lease, the Trust Agreement and the Assignment Agreement are fully authorized to execute the same pursuant to official action taken by the governing body of the Authority.

(c) Valid, Binding and Enforceable Obligations. This Lease, the Site and Facilities Lease, the Trust Agreement and the Assignment Agreement have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding agreements of the Authority, enforceable against the Authority in accordance their respective terms.

(d) No Conflicts. The execution and delivery of this Lease, the Site and Facilities Lease, the Trust 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, do not and will not conflict with or constitute a 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 Authority 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 Authority, 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 this Lease, the Site and Facilities Lease, the Trust

Agreement and the Assignment Agreement or the financial condition, assets, properties or operations of the Authority or its properties.

(e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the Authority, 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 this Lease, the Site and Facilities Lease, the Trust 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. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, educational or other governmental authority pending or, to the knowledge of the Authority after reasonable investigation, threatened against or affecting the Authority or the assets, properties or operations of the Authority which, if determined adversely to the Authority or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Lease, the Site and Facilities Lease, the Trust Agreement or the Assignment Agreement, or upon the financial condition, assets, properties or operations of the Authority, and the Authority is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, educational or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site and Facilities Lease, the Trust Agreement or the Assignment Agreement or the financial conditions, assets, properties or operations of the Authority or its properties.

ARTICLE III

Deposit of Moneys; Application of Project Fund; Right of Substitution

SECTION 3.1. Deposit of Moneys. On the Closing Date, the Authority shall cause the proceeds of sale of the Certificates to be deposited with the Trust Administrator in accordance with Section 3.01 of the Trust Agreement.

SECTION 3.2. Application of Project Fund. The Authority hereby agrees that the amounts deposited into the Project Fund pursuant to Section 3.01 of the Trust Agreement shall be disbursed in compliance with Section 3.02 of the Trust Agreement.

SECTION 3.3. Acquisition and Construction of the Project The Authority and the City will provide for, or cause to be provided for, the acquisition, construction, improvement and equipping of the Project in accordance with the plans and specifications, purchase orders and construction contracts therefor approved by the City.

SECTION 3.4. Substitution of Site and Facilities. The City shall have, and is hereby granted, the option at any time and from time to time during the Term of this Lease, to substitute other land, facilities, improvements or other property (a "Substitute Property") for the Site and Facilities or any portion thereof (a "Former Property"), provided that the City shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such substitution:

(a) The City shall take all actions and shall execute all documents required to subject such Substitute Property to the terms and provisions of this Lease, including the filing with the Authority and the Trust Administrator an amended Exhibit A, which adds thereto a description of such Substitute Property and deletes therefrom the description of such Former Property.

(b) The City shall cause to be recorded in the Office of the Tulare County Recorder a copy of an executed amendment to this Lease, the Site Lease and the Assignment Agreement containing an amended Exhibit A, or a memorandum reflecting such amendment to Exhibit A.

(c) The City shall provide to the Authority and the Trust Administrator a certificate of a City Representative which states that the annual fair rental value of such Substitute Property is no less than the maximum annual Lease Payments remaining unpaid hereunder at the time of the proposed substitution.

(d) The City shall certify in writing to the Authority and the Trust Administrator that such Substitute Property serves the public purposes of the City, constitutes property which the City is permitted to lease under the laws of the State of California.

(e) The City shall certify in writing to the Authority and the Trust Administrator that the estimated useful life of such Substitute Property at least extends to the date on which the final Lease Payment becomes due and payable hereunder.

(f) The City shall obtain an CLTA policy of title insurance meeting the requirements of Section 5.6 with respect to such Substitute Property.

(g) The Substitute Property shall not cause the City to violate any of its covenants, representations and warranties made herein or in the Trust Agreement.

From and after the date on which all of the foregoing conditions precedent to such substitution are satisfied, the Term of this Lease shall cease with respect to the Former Property and shall be continued with respect to the Substitute Property, and all references herein to the Former Property shall apply with full force and effect to the Substitute Property. The City shall not be entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such substitution.

SECTION 3.5. Release of Site and Facilities. The City shall have, and is hereby granted, the option at any time and from time to time during the term of this Lease to remove from this Lease any portion of the Site and Facilities; provided that the City shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such removal:

(a) No event of default has occurred and is continuing under this Lease.

(b) The City shall file with the Authority and the Trust Administrator an amended Exhibit A to this Lease which deletes the legal description of such Site and Facilities.

(c) The City shall cause to be recorded in the Office of the Tulare County Recorder a copy of an executed amendment to this Lease, the Site Lease and the Assignment Agreement containing an amended Exhibit A, or a memorandum reflecting such amendment to Exhibit A.

(d) The City shall cause to be filed with the Trust Administrator an Opinion of Special Counsel substantially to the effect that such removal will not affect the obligation of the City to continue to pay Lease Payments in the amounts and at the times and in the manner required by this Lease.

(e) The City shall file with the Authority and the Trust Administrator a certificate of a City Representative which states that the annual fair rental value of the remaining Site and Facilities, taken into consideration the removal of the applicable portion of the Site and Facilities, is no less than the maximum annual Lease Payments and Additional Rental Payments remaining unpaid hereunder at the time of such removal.

(f) The removal shall not cause the City to violate any of its covenants, representations and warranties made herein or in the Trust Agreement.

ARTICLE IV

Lease of Site and Facilities; Term of This Lease; Lease Payments

SECTION 4.1. Lease. The Authority hereby leases the Site and Facilities to the City, and the City hereby leases the Site and Facilities from the Authority, upon the terms and conditions set forth in this Lease.

SECTION 4.2. Term. The Term of this Lease shall commence on the date of its recordation and shall end on November 1, 2056, or such earlier or later date on which the Trust Agreement is discharged pursuant to and in accordance with Section 14.01 thereof. The provisions of this Section 4.2 are subject to the provisions of Article VI relating to the taking of the Site and Facilities in eminent domain proceedings, the sale of the Site and Facilities under threat of such proceedings, and the abatement of Lease Payments.

SECTION 4.3. Possession. The City has possession of the Site and Facilities on the Closing Date.

SECTION 4.4. Lease Payments.

(a) Obligation to Pay. Subject to the provisions of Section 6.2 and Article IX hereof, the City agrees to pay to the Authority the Lease Payments (denominated into components of principal and interest) for the Site and Facilities in the respective amounts specified in Exhibit B attached hereto and by this reference incorporated herein, to be due and payable in immediately available funds on the Lease Payment Dates immediately preceding each of the respective Interest Payment Dates specified in Exhibit B, and to be deposited by the City with the Trust Administrator on each of the Lease Payment Dates specified in Exhibit B.

Any amount held in the Lease Payment Fund on any Lease Payment Date (excluding amounts resulting from the prepayment of the Lease Payments in part but not in whole pursuant to Article IX and other than amounts required for payment of past due principal or interest represented by any Certificates not presented for payment) shall be credited towards the Lease Payment then required to be paid hereunder; and no Lease Payment need be deposited with the Trust Administrator on any Lease Payment Date if the amounts then held in the Lease Payment Fund are at least equal to the Lease Payment then required to be deposited with the Trust Administrator. The Lease Payments payable in any Certificate Year shall be for the use of the Site and Facilities during such Certificate Year.

(b) Effect of Prepayment. If the City prepays all Lease Payments in full pursuant to Sections 9.1, 9.2 or 9.3, the City's obligations under this Lease shall thereupon cease and terminate, including but not limited to the City's obligation to pay Lease Payments under this Section 4.4. If the City prepays the Lease Payments in part but not in whole pursuant to Section 9.3, the principal components of the remaining Lease Payments shall be reduced on a pro rata basis in integral multiples of \$5,000; and the interest component of each remaining Lease Payment shall be reduced by the aggregate corresponding amount of interest which would otherwise be payable with respect to the Certificates thereby prepaid pursuant to the applicable provisions of Section 4.01 of the Trust Agreement.

(c) Rate on Overdue Payments. If the City fails to make any of the payments required in this Section 4.4, the payment in default shall continue as an obligation of the City until the amount

in default is fully paid, and the City agrees to pay the amount in default with interest thereon, from the date of default to the date of payment, at the rate then in effect with respect to the Certificates.

(d) Fair Rental Value. The Lease Payments during each Certificate Year shall constitute the total rental for the Site and Facilities for such Certificate Year, and shall be paid by the City in each Certificate Year for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of the Site and Facilities during each Certificate Year. The parties hereto have agreed and determined that the total Lease Payments represent the fair rental value of the Site and Facilities. In making such determination, consideration has been given to the estimated fair market value of the Site and Facilities, other obligations of the parties under this Lease, the uses and purposes which may be served by the Site and Facilities and the benefits therefrom which will accrue to the City and the general public.

(e) Source of Payments; Budget and Appropriation. The Lease Payments shall be payable from any source of available funds of the City, subject to the provisions of Sections 6.2 and 9.1.

The City covenants to take such action as may be necessary to include all Lease Payments coming due in each of its annual budgets during the Term of this Lease and to make the necessary annual appropriations for all such Lease Payments.

The covenants on the part of the City herein contained shall be deemed to be and shall be construed to be duties imposed by law, and it shall be the duty of each and every public official of the City 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 City to carry out and perform the covenants and agreements in this Lease agreed to be carried out and performed by the City.

(f) Assignment. The City understands and agrees that all Lease Payments have been assigned by the Authority to the Trust Administrator in trust, pursuant to the Assignment Agreement, for the benefit of the Owners of the Certificates, and the City hereby assents to such assignment. The Authority hereby directs the City, and the City hereby agrees to pay to the Trust Administrator at its Office, all payments payable by the City pursuant to this Section 4.4 and all amounts payable by the City pursuant to Article IX.

SECTION 4.5. Quiet Enjoyment. Throughout the Term of this Lease, the Authority shall provide the City with quiet use and enjoyment of the Site and Facilities and the City shall peaceably and quietly have and hold and enjoy the Site and Facilities, without suit, trouble or hindrance from the Authority, except as expressly set forth in this Lease. The Authority will, at the request of the City and at the City's cost, join in any legal action in which the City asserts its right to such possession and enjoyment to the extent the Authority may lawfully do so. Notwithstanding the foregoing, the Authority shall have the right to inspect the Site and Facilities as provided in Section 7.2.

SECTION 4.6. Title; No Merger. At all times during the Term of this Lease, the City shall hold title to the Site and Facilities, subject to the provisions of the Site and Facilities Lease and other Permitted Encumbrances.

Upon payment in full of all Lease Payments and Additional Rental Payments, and the termination of this Lease, all right, title and interest of the Authority hereunder in and to the Site and Facilities shall be transferred to and vested in the City. Upon the payment in full of all Lease Payments allocable to the Site and Facilities, or upon the deposit by the City of security for such Lease Payments as provided in Section 9.1, all right, title and interest of the Authority hereunder in and to the Site and Facilities shall be transferred to and vested in the City. The Authority agrees to take any and all steps and execute and record any and all documents reasonably required by the City to consummate any such transfer of title. This Lease shall not operate as a merger of the City's leasehold estate in the Site and Facilities pursuant to this Lease and its fee estate in the Site and Facilities and shall not cause the extinguishment of the leasehold interest granted to the Authority under the Site and Facilities Lease.

SECTION 4.7. Additional Rental Payments. In addition to the Lease Payments, the City shall pay when due all costs and expenses incurred by the Authority to comply with the provisions of the Trust Agreement (collectively, "Additional Rental Payments"), including without limitation all Costs of Issuance (to the extent not paid from amounts on deposit in the Costs of Issuance Fund), annual compensation due to the Trust Administrator, all of its reasonable costs payable as a result of the performance of and compliance with its duties under the Trust Agreement and all other amounts due to the Trust Administrator pursuant to the Trust Agreement, and all costs and expenses of attorneys, auditors, engineers and accountants. All Additional Rental Payments shall be payable as additional amounts of rental hereunder in consideration of the right of the City to the use and occupancy of the Site and Facilities.

SECTION 4.8. Payments to Reserve Fund . In addition to the Lease Payments, the City shall pay to the Trust Administrator the following amount:

(a) on each Lease Payment Date, an amount equal to 1/10th of the average annual Debt Service with respect to the Certificates, and

(b) such amounts as may be required to replenish the Reserve Fund if a draw therefrom or a valuation determines that a deficiency exists therein, all in accordance with Section 6.05 of the Trust Agreement;

provided, however, that if the amount on deposit in the Reserve Fund reaches the Reserve Requirement, the City shall discontinue payments to the Reserve Fund (except to the extent necessary to replenish the Reserve Fund) and any further interest earnings on the Reserve shall be allocated under Section 8.03 of the Trust Agreement.

ARTICLE V

Maintenance; Taxes; Insurance; Modifications; and Other Matters

SECTION 5.1. Maintenance, Utilities, Taxes and Assessments. Throughout the Term of this Lease, as part of the consideration for the rental of the Site and Facilities, all improvement, repair and maintenance of the Site and Facilities shall be the responsibility of the City, and the City shall pay for or otherwise arrange for the payment of all utility services supplied to the Site and Facilities, 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 Site and Facilities resulting from ordinary wear and tear or want of care on the part of the City or any assignee or sublessee thereof. In exchange for the Lease Payments herein provided, the Authority agrees to provide only the Site and Facilities, as hereinbefore more specifically set forth. The City 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 shall not limit any of the rights of the City under the terms of this Lease.

The City shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Authority or the City affecting the Site and Facilities 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 City shall be obligated to pay only such installments as are required to be paid during the Term of this Lease as and when they become due.

The City may, at the City's expense and in its name, upon notice to the Authority and the Trust Administrator, 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 Authority notifies the City that, in its reasonable opinion, by nonpayment of any such items the interest of the Authority in the Site and Facilities will be materially endangered or the Site and Facilities or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay such taxes, assessments or charges or provide the Authority with full security against any loss which may result from nonpayment, in form satisfactory to the Authority and the Trust Administrator.

SECTION 5.2. Modification of Site and Facilities. The City has the right (at its own expense) to remodel the Site and Facilities, or to make additions, modifications and improvements thereto. All additions, modifications and improvements to the Site and Facilities shall thereafter comprise part thereof and be subject to the provisions of this Lease.

Such additions, modifications and improvements shall not in any way damage the Site and Facilities, or cause the Site and Facilities to be used for purposes other than those authorized under the provisions of state and federal law; and the Site and Facilities, upon completion of any additions, modifications and improvements made thereto pursuant to this Section, shall be of a value which is not substantially less than the value thereof immediately prior to the making of such additions, modifications and improvements.

The City will not permit any mechanic's or other lien to be established or remain against the Site and Facilities for labor or materials furnished in connection with any remodeling,

additions, modifications, improvements, repairs, renewals or replacements made by the City pursuant to this Section; provided that if any such lien is established and the City first notifies or causes to be notified the Authority of the City's intention to do so, the City may in good faith contest any lien filed or established against the Site and Facilities, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, and shall provide the Authority with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Authority. The Authority will cooperate fully in any such contest, upon the request and at the expense of the City.

SECTION 5.3. Public Liability and Property Damage Insurance. The City shall maintain or cause to be maintained throughout the Term of this Lease, but only if and to the extent available from reputable insurers at reasonable cost in the opinion of the City, a standard comprehensive general insurance policy or policies in protection of the Authority, City, and their respective members, officers, agents, employees and assigns. 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 Site and Facilities.

Such policy or policies shall provide coverage in the minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in each accident or event (subject to a deductible of not to exceed \$250,000), and in a minimum amount of \$150,000 (subject to a deductible of not to exceed \$50,000) for damage to property resulting from each accident or event. Such insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks, subject to a deductible of not to exceed \$250,000.

Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, subject to the provisions of Section 5.7, or in the form of the participation by the City in a joint powers agency or other program providing pooled insurance.

The Net Proceeds of such liability insurance shall be applied by the City toward extinguishment or satisfaction of the liability with respect to which paid.

SECTION 5.4. Fire and Extended Coverage Insurance. The City shall procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease, insurance against loss or damage to any Facilities leased hereunder by fire and lightning, with extended coverage and vandalism and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance shall be in an aggregate amount at least equal to the lesser of (a) 100% of the replacement cost of the Site and Facilities insured thereunder, or (b) the aggregate principal amount of the Outstanding Certificates. All policies of such insurance may be subject to deductible clauses of not to exceed \$100,000 for any one loss. The Net Proceeds of such insurance shall be applied as provided in Section 6.1. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, subject to the provisions of Section 5.7, or in the form of the participation by the City in a joint powers agency or other program providing pooled insurance.

SECTION 5.5. Rental Interruption Insurance. Following the completion of the Project and occupancy of the Project by the City, the City shall procure, and maintain throughout the remaining Term of this Lease, for the benefit of the Authority, rental interruption insurance to cover loss, total or partial, of the rental payments 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 payable with respect to the improvements during the current or any future 24-month period, provided that such insurance coverage is commercially available at reasonable rates. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and such insurance may be maintained in whole or in part in the form of the participation by the City in a joint powers agency or other program providing pooled insurance; provided that such insurance may not be maintained in the form of self-insurance. The proceeds of such insurance shall be paid to the Trust Administrator and shall be credited towards the payment of the Lease Payments in the order in which such Lease Payments come due and payable.

SECTION 5.6. Recordation Hereof; Title Insurance. On or before the Closing Date, the City shall, at its expense, (a) cause the Site and Facilities Lease, this Lease or a memorandum thereof in form and substance approved by Special Counsel, and the Assignment Agreement to be recorded in the office of the Tulare County Recorder with respect to the Site, and (b) obtain a CLTA title insurance policy insuring the City's leasehold estate hereunder in the Site and Facilities, subject only to Permitted Encumbrances, in an amount at least equal to the aggregate principal amount of the Certificates. All Net Proceeds received under any such title insurance policy shall be deposited with the Trust Administrator in the Lease Payment Fund and shall be credited towards the prepayment of the remaining Lease Payments pursuant to Section 9.3.

SECTION 5.7. Insurance Net Proceeds; Form of Policies. Each policy of insurance required by Sections 5.3, 5.4, and 5.6 shall name the Trust Administrator as loss payee so as to provide that all proceeds thereunder shall be payable to the Trust Administrator. The City shall pay or cause to be paid when due the premiums for all insurance policies required by this Lease. All such policies shall provide that the Trust Administrator shall be given 30 days' notice of each expiration, any intended cancellation thereof or reduction of the coverage provided thereby. The Trust Administrator shall not be responsible for the sufficiency of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss. The City shall cause to be delivered to the Trust Administrator a written certificate executed by a City Representative that the insurance policies required by this Lease are in full force and effect. All policies shall name the City and the Authority as insureds, and the Trust Administrator as loss payee. All required insurance policies must be provided by a commercial insurer rated A by Best or A- and A3 by S&P and Moody's, respectively.

SECTION 5.8. Installation of City's Equipment. The City 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 Site and Facilities. All such items shall remain the sole property of the City, in which neither the Authority nor the Trust Administrator shall have any interest, and may be modified or removed by the City at any time, provided that the City shall repair and restore any and all damage to the Site and Facilities resulting from the installation, modification or removal of any such items. Nothing in this Lease shall prevent the City from purchasing or leasing items to be installed pursuant to 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 shall attach to any part of the Site and Facilities.

SECTION 5.9. Liens. The City shall 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 Site and Facilities, other than as herein contemplated and except for such encumbrances as the City shall certify in writing to the Trust Administrator do not adversely affect the leasehold estate in the Site and Facilities hereunder. Except as expressly provided in this Article, the City shall 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 City shall reimburse the Authority for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

SECTION 5.10. Advances. If the City fails to perform any of its obligations under this Article V, the Authority shall take such action as may be necessary to cure such failure, including the advancement of money, and the City shall be obligated to repay all such advances as additional rental hereunder, with interest at the rate of 10% per annum.

ARTICLE VI

Damage, Destruction and Eminent Domain; Use of Net Proceeds

SECTION 6.1. Application of Net Proceeds. The Net Proceeds of any insurance award resulting from any damage to or destruction of the Site and Facilities by fire or other casualty shall be paid to the Trust Administrator, as assignee of the Authority under the Assignment Agreement, and deposited in the Insurance and Condemnation Fund to be applied as set forth in Section 7.01 of the Trust Agreement.

The Net Proceeds of any eminent domain award with respect to the Site and Facilities if the Site and Facilities are taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain shall be paid by the City to the Trust Administrator and deposited in the Insurance and Condemnation Fund to be applied as set forth in Section 7.02 of the Trust Agreement.

SECTION 6.2. Abatement.

(a) Termination or Abatement Due to Eminent Domain. If the Site and Facilities are taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of this Lease thereupon ceases as of the day possession is taken. If less than all of the Site and Facilities is taken permanently, or if the Site and Facilities are taken temporarily, under the power of eminent domain, then:

(i) this Lease shall continue in full force and effect with respect thereto and does not terminate by virtue of such taking, and the parties waive the benefit of any law to the contrary; and

(ii) the Lease Payments are subject to abatement in an amount determined by the City such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Site and Facilities.

(b) Abatement Due to Damage or Destruction. The Lease Payments are subject to abatement during any period in which by reason of damage or destruction (other than by eminent domain which is hereinbefore provided for) there is substantial interference with the use and occupancy by the City of the Site and Facilities or any portion thereof. The Lease Payments are subject to abatement in an amount determined by the City such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Site and Facilities not damaged or destroyed. Such abatement will continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. In the event of any such damage or destruction, this Lease continues in full force and effect and the City waives any right to terminate this Lease by virtue of any such damage and destruction.

ARTICLE VII

Other Covenants of the City

SECTION 7.1. Disclaimer of Warranties. THE AUTHORITY 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 CITY OF THE SITE AND FACILITIES OR ANY PORTION THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE SITE AND FACILITIES OR ANY PORTION THEREOF. THE CITY ACKNOWLEDGES THAT THE AUTHORITY IS NOT A MANUFACTURER OF ANY PORTION OF THE SITE AND FACILITIES OR A DEALER THEREIN, THAT THE CITY LEASES THE SITE AND FACILITIES AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE CITY.

In no event shall the Authority or its assigns be liable for incidental, indirect, special or consequential damages, in connection with or arising out of this Lease or the Trust Agreement for the existence, furnishing, functioning or City's use of the Site and Facilities.

SECTION 7.2. Access to the Site and Facilities. The City agrees that the Authority and any Authority Representative, and the Authority's successors or assigns, shall have the right at all reasonable times to enter upon and to examine and inspect the Site and Facilities or any portion thereof. The City further agrees that the Authority, any Authority Representative and the Authority's successors or assigns shall have such rights of access to the Site and Facilities or any portion thereof as may be reasonably necessary to cause the proper maintenance of the Site and Facilities in the event of failure by the City to perform its obligations hereunder, provided, however, that the Trust Administrator shall not be required to cause such maintenance to the Site and Facilities.

SECTION 7.3. Release and Indemnification Covenants. The City shall and hereby agrees to indemnify and save the Authority and the Trust Administrator and their respective officers, agents, successors and assigns harmless from and 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 Site and Facilities by the City, (b) any breach or default on the part of the City in the performance of any of its obligations under this Lease, (c) any negligence or willful misconduct of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Site and Facilities, (d) any intentional misconduct or negligence of any sublessee of the City with respect to the Site and Facilities, or (e) the acquisition, construction, improvement and equipping of the Site and Facilities, or the authorization of payment of the Site Lease Payment, the Costs of Issuance or the Site and Facilities Costs. No indemnification is made under this Section or elsewhere in this Lease for willful misconduct or negligence under this Lease by the Authority or the Trust Administrator, or their respective officers, employees, successors or assigns.

SECTION 7.4. Assignment by the Authority. The Authority's rights under this Lease, including the right to receive and enforce payment of the Lease Payments, have been assigned to the Trust Administrator pursuant to the Assignment Agreement, to which assignment the City hereby consents.

SECTION 7.5. Assignment and Subleasing by the City; No Condemnation. (i) The City may sublease the Site and Facilities, or any portion thereof, but only after satisfaction of the following conditions:

(a) This Lease and the obligation of the City to make Lease Payments hereunder shall remain obligations of the City.

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

(c) No such sublease by the City shall cause the Site and Facilities to be used for a purpose other than as may be authorized under the provisions of the laws of the State of California.

(d) The City shall furnish the Authority and the Trust Administrator with a written opinion of Special Counsel stating that such sublease does not cause the interest components of the Lease Payments to become includable in gross income for purposes of federal or State of California personal income taxation.

(ii) The City hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the Certificates remain outstanding and unpaid, the City will not exercise the power of condemnation with respect to the Site and Facilities. The City further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable, or if the City should fail or refuse to abide by such covenant and condemns the Site and Facilities, the appraised value of the Site and Facilities shall not be less than the greater of (i) if such Certificates are then subject to prepayment, the principal and interest components of the Certificates outstanding through the date of their prepayment, or (ii) if such Certificates are not then subject to prepayment, the amount necessary to defease such Certificates to the first available prepayment date in accordance with the Trust Agreement.

SECTION 7.6. Amendment of Lease . The Authority and the City may at any time amend or modify any of the provisions of this Lease without the consent of the Trust Administrator or any of the Certificate Owners, but only if such amendment or modification is for any one or more of the following purposes:

(i) to add to the covenants and agreements of the City contained in this Lease, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the City, or

(ii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein, or in any other respect whatsoever as the Authority and the City may deem necessary or desirable, provided that, in the opinion of Special Counsel, such modifications or amendments shall not materially adversely affect the interests of the Owners of the Certificates;

(iii) to amend any provision thereof relating to the Tax Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exclusion from gross income of interest represented by the Certificates under

the Tax Code, in the opinion of Special Counsel filed with the City and the Trust Administrator;

(iv) to amend the description of the Site and Facilities to reflect accurately the property originally intended to be included therein, or in connection with any substitution pursuant to Section 3.4; or

(v) to obligate the City to pay additional amounts of rental hereunder for the use and occupancy of the Site and Facilities, provided that:

(A) such additional amounts of rental do not cause the total rental payments made by the City hereunder to exceed the fair rental value of the Site and Facilities, as set forth in a certificate of a City Representative filed with the Trust Administrator and the Authority,

(B) the City obtains and files with the Trust Administrator and the Authority a certificate of a City Representative which states that the estimated fair market value of the Site and Facilities is not less than the aggregate unpaid principal components of the Lease Payments and the aggregate principal components of such additional amounts of rental, and

(C) such additional amounts of rental are pledged or assigned for the payment of any bonds, notes, leases or other obligations the proceeds of which shall be applied to finance the construction or acquisition of land, facilities or other improvements which the City is authorized to construct or acquire.

All other amendments to this Lease shall become effective only with the written consents of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding.

ARTICLE VIII

Events of Default and Remedies

SECTION 8.1. Events of Default Defined. Any one or more of the following events shall constitute an Event of Default hereunder:

(a) Failure by the City to pay any Lease Payment or other payment required to be paid hereunder or under the Trust Agreement, at the time specified herein.

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in the preceding clause (a), for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Authority or the Trust Administrator; *provided, however*, that if the failure stated in the notice can be corrected, but not within such 30 day period, the Authority and the Trust Administrator shall not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the City within the applicable period and diligently pursued until the default is corrected.

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

SECTION 8.2. Remedies on Default. Whenever any Event of Default occurs and continues, it shall be lawful for the Authority to exercise any and all remedies available pursuant to law or granted pursuant to this Lease; *provided, however*, that notwithstanding anything herein or in the Trust Agreement 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 City is expressly made a condition and upon the breach thereof the Authority may exercise any and all rights granted hereunder; provided, that no termination of this Lease 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 Authority shall have and is granted each and every one of the following remedies.

(a) Enforcement of Payments Without Termination. If the Authority does not elect to terminate this Lease in the manner hereinafter provided for in subparagraph (b) of this Section, the City agrees to and shall remain liable for the payment of all Lease Payments and other amounts payable hereunder, and the performance of all conditions herein contained, and shall reimburse the Authority for any deficiency arising out of the re-leasing of the Site and Facilities; or, if the Authority is unable to re-lease the Site and Facilities, then for the full amount of all

Lease Payments and such other amounts to the end of the Term of this Lease, but the Lease Payments and such other amounts and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of the Lease Payments and such other amounts hereunder, notwithstanding such entry or re-entry by the Authority or any suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Site and Facilities or the exercise of any other remedy by the Authority. The City hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the City to enter upon and re-lease the Site and Facilities in the event of default by the City in the performance of any covenants herein contained to be performed by the City and to remove all personal property whatsoever situated upon the Site and Facilities, to place such property in storage or other suitable place in the County of Tulare for the account of and at the expense of the City, and the City hereby exempts and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Site and Facilities and the removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained. The City agrees that the terms of this Lease constitute full and sufficient notice of the right of the Authority to re-lease the Site and Facilities in the event of such re-entry without effecting a surrender of this Lease, and further agrees that no acts of the Authority in effecting such re-leasing shall constitute a surrender or termination of this Lease 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 City the right to terminate this Lease shall vest in the Authority to be effected in the sole and exclusive manner hereinafter provided for in subparagraph (b) of this Section. The City further waives the right to any rental obtained by the Authority in excess of the Lease Payments and hereby conveys and releases such excess to the Authority as compensation to the Authority for its services in re-leasing the Site and Facilities.

(b) Termination of Lease. If an Event of Default occurs and continues hereunder, the Authority at its option may terminate this Lease and re-lease all or any portion of the Site and Facilities, but only to the extent permitted by law. In the event of the termination of this Lease by the Authority at its option and in the manner hereinafter provided on account of default by the City (and notwithstanding any re-entry upon the Site and Facilities by the Authority in any manner whatsoever or the re-leasing of the Site and Facilities), the City nevertheless agrees to pay to the Authority 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 other amounts payable hereunder. Any surplus received by the Authority from such re-leasing shall be deposited in the Lease Payment Fund. Neither notice to pay rent or to deliver up possession of the premises given pursuant to law nor any proceeding in unlawful detainer taken by the Authority shall of itself operate to terminate this Lease, and no termination of this Lease on account of default by the City shall be or become effective by operation of law, or otherwise, unless and until the Authority has given written notice to the City of the election on the part of the Authority to terminate this Lease. The City covenants and agrees that no surrender of the Site and Facilities, or of the remainder of the Term hereof or any termination of this Lease shall be valid in

any manner or for any purpose whatsoever unless stated or accepted by the Authority by such written notice.

(c) Proceedings at Law or In Equity. If an event of default occurs and continues hereunder, the Authority 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.

SECTION 8.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority 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 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 Authority 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. In the event either party to this Lease should default under any of the provisions hereof and the nondefaulting party should employ attorneys 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 nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party provided, however, that the Trust Administrator shall not be required to expend its own funds for any payment described in this Section.

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

SECTION 8.6. Application of Proceeds. All Net Proceeds received from the re-lease of the Site and Facilities under this Article VIII, and all other amounts derived by the Authority or the Trust Administrator as a result of the occurrence of an Event of Default, shall be transferred to the Trust Administrator promptly upon receipt thereof and shall be applied by the Trust Administrator pursuant to Article XIII of the Trust Agreement.

SECTION 8.7. Trust Administrator and Certificate Owners to Exercise Rights. Such rights and remedies as are given to the Authority under this Article VIII have been assigned by the Authority to the Trust Administrator under the Assignment Agreement for the benefit of the Certificate Owners, to which assignment the City hereby consents. Such rights and remedies shall be exercised by the Trust Administrator and the Owners of the Certificates as provided in the Trust Agreement. The City shall not be entitled to terminate this Lease by reason of the Authority's breach of any of its obligations under this Lease.

ARTICLE IX

Prepayment of Lease Payments

SECTION 9.1. Security Deposit. Notwithstanding any other provision of this Lease, the City may on any date secure the payment of the Lease Payments in whole or in part by depositing with the Trust Administrator an amount of cash which, together with other available amounts on deposit in the funds and accounts established under the Trust Agreement, 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 in whole or in part in non-callable Federal Securities in such amount as will, in the opinion of an independent certified public accountant (which opinion shall be addressed to the Trust Administrator), together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay such Lease Payments when due pursuant to Section 4.4(a), as the City shall instruct at the time of said deposit.

In the event of a security deposit pursuant to this Section with respect to all unpaid Lease Payments, and notwithstanding the provisions of Section 4.2,

(a) the Term of this Lease shall continue,

(b) all obligations of the City under this Lease, and all security provided by this Lease for said obligations, shall thereupon cease and terminate, excepting only the obligation of the City to make, or cause to be made all of the Lease Payments from such security deposit, and

(c) pursuant to Section 4.6, title to the Site and Facilities shall vest in the City on the date of said deposit automatically and without further action by the City or the Authority.

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.

SECTION 9.2. Optional Prepayment. The City may exercise its option to prepay the principal components of the Lease Payments, in whole, or in part in any integral multiple of \$5,000, on any date, by paying a prepayment price equal to the aggregate principal components of the Lease Payments to be prepaid, together with the interest component of the Lease Payment required to be paid on such date, without premium. Such prepayment price shall be deposited by the Trust Administrator in the Lease Payment Fund to be applied to the prepayment of Certificates pursuant to Section 4.01(c) of the Trust Agreement.

SECTION 9.3. Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain. The City shall be obligated to prepay the principal components of the Lease Payments in whole or in part on any date, from and to the extent of any Net Proceeds of insurance award or eminent domain award with respect to the Site and Facilities theretofore deposited in the Lease Payment Fund for such purpose pursuant to Article VI hereof and Article VI of the Trust Agreement. The City and the Authority hereby agree that such Net Proceeds, to the extent remaining after payment of any delinquent Lease Payments, shall be credited towards the City's obligations under this Section 9.3.

SECTION 9.4. Selection of Certificates for Prepayment in Part If the City prepays the Lease Payments in part but not in whole, the principal components thereof shall be prepaid in inverse order of maturity and in integral multiples of \$5,000, and within maturities by lot.

SECTION 9.5. Credit for Amounts on Deposit. In the event of prepayment of the principal components of the Lease Payments in full under this Article IX, such that the Trust Agreement is discharged by its terms as a result of such prepayment, at the written election of the City filed with the Trust Administrator any or all amounts then on deposit in the Lease Payment Fund or the Reserve Fund shall be credited towards the amounts then required to be so prepaid.

ARTICLE X

Miscellaneous

SECTION 10.1. Notices. Any notice, request, complaint, demand or other communication under this Lease shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by telecopier or other form of telecommunication, at its number set forth below.

Notice shall be effective either (a) upon transmission by telecopier 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 Authority, the City or the Trust Administrator 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 City:	City of Woodlake 350 North Valencia Blvd. Woodlake, CA 93286 Fax: 559-564-8776 Attn: Finance Director
If to the Authority:	Treasurer Woodlake Public Financing Authority 350 North Valencia Blvd. Woodlake, CA 93286
If to the Trust Administrator:	Finance Director City of Woodlake 350 North Valencia Blvd. Woodlake, CA 93286 Fax: 559-564-8776

SECTION 10.2. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the Authority and the City, and their respective successors and assigns.

SECTION 10.3. Severability. In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 10.4. Net-net-net Lease. This Lease shall be deemed and construed to be a "net-net-net lease" and the City hereby agrees that the Lease Payments shall be an absolute net return to the Authority, free and clear of any expenses, charges or set-offs whatsoever.

SECTION 10.5. Third Party Beneficiary. The Trust Administrator shall be and is hereby made third party beneficiaries hereunder with all rights of a third party beneficiary.

SECTION 10.6. Further Assurances and Corrective Instruments. The Authority and the City 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 Site and Facilities hereby leased or intended so to be or for carrying out the expressed intention of this Lease.

SECTION 10.7. Execution in Counterparts This Lease 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.

SECTION 10.8. Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State of California.

SECTION 10.9. Authority and City Representatives. Whenever under the provisions of this Lease the approval of the Authority or the City is required, or the Authority or the City is required to take some action at the request of the other, such approval or such request shall be given for the Authority by an Authority Representative and for the City by a City Representative, and any party hereto shall be authorized to rely upon any such approval or request.

SECTION 10.10. Captions. The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Lease.

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

WOODLAKE PUBLIC FINANCING
AUTHORITY, *as Lessor*

Attest

By _____
Secretary

By _____
Executive Director

CITY OF WOODLAKE, *as Lessee*

Attest

By _____
City Clerk

By _____
City Administrator

EXHIBIT A

DESCRIPTION OF THE SITE AND FACILITIES

The land referred to herein is situated in the State of California, County of Tulare, City of Woodlake, and described as follows:

EXHIBIT B

SCHEDULE OF LEASE PAYMENTS

Interest Payment Date*	Principal Component	Interest Component	Total Lease Payment	Total Annual Lease Payments
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Interest Payment Date*	Principal Component	Interest Component	Total Lease Payment	Total Annual Lease Payments
---------------------------------------	--------------------------------	-------------------------------	------------------------------------	--

Total:	\$ 3,000,000	TBD	TBD	TBD
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* Payments are due on Lease Payment Dates, which occur on the 5th Business Day preceding Interest Payment Dates.

TRUST AGREEMENT

Dated as of _____ 1, 2017

by and among

the
CITY OF WOODLAKE,

the
FINANCE DIRECTOR OF THE CITY OF WOODLAKE,
as Trust Administrator

and the
WOODLAKE PUBLIC FINANCING AUTHORITY

\$3,000,000
City of Woodlake
Lease Revenue Certificates of Participation
Series 2017

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TRUST AGREEMENT

This TRUST AGREEMENT, made and entered into as of _____ 1, 2017, by and among the FINANCE DIRECTOR OF THE CITY OF WOODLAKE, as trust administrator (the "Trust Administrator"), the WOODLAKE PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the "Authority"), and the CITY OF WOODLAKE, a municipal corporation and general law city organized and existing under the laws of the State of California (the "City")

BACKGROUND

WHEREAS, the City wishes to finance the acquisition, construction and improvement of certain facilities and improvements to be owned and operated by the City, consisting generally of a new community center to be located at 169 North Magnolia Street, Woodlake, California, and related publicly owned improvements (the "Project"); and

WHEREAS, the Authority was formed for the purposes of, among other things, assisting the City in financing the acquisition, construction and improvement of public capital improvements, such as the Project; and

WHEREAS, in order to finance the Project, the City wishes to enter into a Site and Facilities Lease dated as of _____ 1, 2017 (the "Site and Facilities Lease"), between the City, as lessor, and the Authority, as lessee, under which it will lease the site on which the Project is located (the "Site and Facilities") to the Authority, and to simultaneously enter into a Lease Agreement dated as of _____ 1, 2017 (the "Lease"), between the Authority, as lessor, and the City, as lessee, under which the City will lease the Site and Facilities from the Authority in return for semiannual payments (the "Lease Payments"); and

WHEREAS, the Authority will assign and transfer certain of its rights under the Lease to the Finance Director of the City, as trust administrator (the "Trust Administrator"), under an Assignment Agreement dated as of _____ 1, 2017, between the Authority and the Trust Administrator; and

WHEREAS, in consideration of such assignment and the execution of this Trust Agreement, the Trust Administrator will execute and deliver the \$3,000,000 aggregate principal amount of Lease Revenue Certificates of Participation, Series 2017 (the "Certificates"), each evidencing a direct, undivided fractional interest in the Lease Payments to be paid by the City under the Lease;

AGREEMENT

In consideration of the premises and the mutual covenants contained herein, the parties hereto agree as follows:

ARTICLE I DEFINITIONS; AUTHORIZATION; EXHIBITS

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in Exhibit A attached hereto shall, for all purposes of this Trust Agreement, have the meanings therein specified.

Section 1.02. Authorization. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Trust Agreement, and has taken all actions necessary to authorize the execution of this Trust Agreement by the officers and persons signing it.

Section 1.03. Content of Written Certificates.

(a) Contents. Every certificate provided for in this Trust Agreement with respect to compliance with any provision hereof, except the certificate of destruction pursuant to Section 14.07, shall include (a) a statement that the person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the certificate is based; (c) a statement that, in the opinion of such person, he has made or caused to be made such examination or investigation as is necessary to enable him to express an informed opinion with respect to the subject matter referred to in the instrument to which his signature is affixed; (d) a statement of the assumptions upon which such certificate is based, and that such assumptions are reasonable; and (e) a statement as to whether, in the opinion of such person, such provision has been complied with.

(b) Reliance. Any such certificate made or given by a City Representative may be based, insofar as it relates to legal or accounting matters, upon a certificate or opinion of or representation by counsel or an accountant, unless such City Representative knows, or in the exercise of reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which such certificate or statement may be based, as aforesaid, is erroneous. Any such certificate or opinion made or given by counsel or an accountant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the City, as the case may be) upon a certificate or opinion of or representation by a City Representative, unless such counsel or accountant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such person's certificate or opinion or representation may be based, as aforesaid, is erroneous. The same City Representative, or the same counsel or accountant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Trust Agreement, but different officers, counsel or accountants may certify to different matters, respectively.

Section 1.04. Exhibits. The Exhibits attached hereto are by this reference are made a part of this Trust Agreement.

ARTICLE II
THE CERTIFICATES OF PARTICIPATION

Section 2.01. Authorization. The Trust Administrator is hereby authorized and directed upon written request from the Authority to execute and deliver, to the Original Purchaser, the Certificates in the Principal Amount evidencing undivided fractional interests in the Lease Payments and the prepayments. The aggregate principal amount of the Certificates shall not in any case exceed the aggregate payments by the Original Purchaser therefor, as such payments and the dates thereof are endorsed on the single, fully registered Certificate. No provision is made for the Certificates to be executed and delivered in blocks or phases as the Original Purchaser's regulations for single delivery have been satisfactorily met.

Section 2.02. Date. The Certificates shall be dated as of their date of delivery.

Section 2.03. Maturities; Interest Rates. The Certificates shall mature on November 1 in the years and in the principal amounts shown below, and interest with respect thereto shall be computed at the Interest Rate, which is _____%:

Maturity Date (November 1)	Certificate Numbers	Principal Amount
---------------------------------------	--------------------------------	-----------------------------

Total:

\$3,000,000

Section 2.04. Interest. Interest on the Certificates shall be payable semiannually on each Interest Payment Date to and including the date of final principal payment (or provision therefor under Section 14.01 hereof) or prepayment, whichever is earlier, determined on the Original Purchaser's aggregate payments for the single Certificate from the respective date(s) thereof, as such payments and dates thereof are endorsed on the single Certificate and computed on the basis of a 365-day year. Such interest shall represent the portion of Lease Payments designated as interest and coming due during the 6-month period preceding each Interest Payment Date. The portion of Lease Payments designated as interest with respect to any Certificate shall be computed by multiplying the portion of Lease Payments designated as principal with respect to such Certificate by the rate of interest applicable to such Certificate.

Interest on any Certificate shall be payable from the Interest Payment Date next preceding the date of execution thereof, unless

(i) such Certificate is executed on an Interest Payment Date, in which event interest shall be payable from such Interest Payment Date, or

(ii) such Certificate is executed after the close of business on the 15th day of the month immediately preceding the following Interest Payment Date and prior to such Interest Payment Date, in which event interest shall be payable from such Interest Payment Date, or

(iii) such Certificate is executed on or before the 15th day of the calendar month preceding the first Interest Payment Date, in which event interest shall be payable from the date of delivery thereof;

provided, however, that if at the time of execution of any Certificate, interest with respect thereto is in default, interest with respect thereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment.

Payment of interest with respect to any Certificate shall be made to the person appearing on the registration books of the Trust Administrator as the Owner thereof as of the 15th day of the month preceding such Interest Payment Date, such interest to be paid by wire transfer (in the electronic funds transfer manner specified by the Government if the Government is the Owner) or by check mailed by first class mail to the Owner at the Owner's address as it appears on such registration books.

Section 2.05. Form of Certificate; Legends. The Certificates shall be delivered in the form of a fully registered Certificates, without coupons, in the Denomination Amount or any integral multiple thereof, except that one Certificate may contain any odd amount, and no Certificate may have principal maturing in more than one year. The Certificates shall be numbered in such manner as the Trust Administrator deems appropriate.

At the option of the Original Purchaser, a single, fully-registered Certificate may be executed and delivered, in lieu of serial, registered Certificates, which single Certificate shall mature in installments of the same principal amounts and on the same dates as the registered Certificates it represents. The single Certificate shall be substantially in the form set forth in Exhibit B attached hereto and by this reference incorporated herein.

The Certificates may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Trust Agreement as may be necessary or desirable to comply with custom, or otherwise.

Section 2.06. Execution. The Certificates shall be executed by and in the name of the Trust Administrator, at the written direction of the Authority, by the manual signature of an authorized signatory of the Trust Administrator.

Section 2.07. Transfer and Exchange. The following shall apply to transfers and exchanges of Certificates, provided that no transfer or exchange of Certificates shall be required to be made during the 15 days prior to the date of selection of Certificates for prepayment, or of any Certificates selected for prepayment:

(a) **Transfer of Certificates.** Any Certificate may, in accordance with its terms, be transferred upon the books required to be kept pursuant to the provisions of Section 2.11 hereof by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Certificate for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trust Administrator, duly executed. Whenever any Certificate is surrendered for transfer, the Trust Administrator shall deliver a new Certificate or Certificates of the same maturity, interest rate and aggregate principal amount in authorized denominations to the transferee thereof. The Trust Administrator may require the payment by the Certificate Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

(b) **Exchange of Certificates.** Certificates may be exchanged at the Principal Trust Office, for a like aggregate principal amount of Certificates of other authorized denominations of the same maturity. The Trust Administrator may require the payment by the Certificate Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

Section 2.08. Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate becomes mutilated, the Trust Administrator, at the expense of the Owner of said Certificate, shall execute and deliver a new Certificate of like maturity and principal amount in authorized denominations in exchange and substitution for the Certificate so mutilated, but only upon surrender to the Trust Administrator of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trust Administrator shall be canceled by it and destroyed in accordance with Section 14.07 hereof, and the Trust Administrator shall deliver a certificate of destruction to the City.

If any Certificate is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trust Administrator and, if such evidence is satisfactory to the Trust Administrator and if an indemnity satisfactory to the Trust Administrator and the Authority shall be given, the Trust Administrator, at the expense of the Certificate Owner, shall execute and deliver a new Certificate of like tenor and maturity and numbered as the Trust Administrator shall determine in lieu of and in substitution for the Certificate so lost, destroyed or stolen.

The Trust Administrator may require payment of an appropriate fee for each new Certificate delivered under this Section and of the expenses which may be incurred by the Trust Administrator in carrying out the duties under this Section.

Any Certificate delivered under the provisions of this Section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Trust Agreement with all other Certificates secured by this Trust Agreement. The Trust Administrator shall not be required to treat both the original Certificate and any substitute Certificate as being Outstanding for the purpose of determining the principal amount of Certificates that may be executed and delivered hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder; the Trust Administrator shall consider only the substitute Certificate as Outstanding for such purpose.

Notwithstanding any other provision of this Section, in lieu of delivering a new Certificate which has been mutilated, lost, destroyed or stolen, and which has matured, the Trust Administrator may make payment with respect to such Certificate upon receipt of indemnity satisfactory to the Trust Administrator.

Section 2.09. Payment. Except as otherwise provided herein, payment of interest due with respect to any Certificate on any Interest Payment Date shall be made to the person appearing on the Registration Books as the Owner thereof as of the Regular Record Date immediately preceding such Interest Payment Date, such interest to be paid by check mailed on the Interest Payment Date by first class mail to such Owner at his address as it appears on the Registration Books as of such Regular Record Date.

The principal and prepayment price with respect to the Certificates at maturity or upon prior prepayment shall be payable by check denominated in lawful money of the United States of America upon surrender of the Certificates at the Principal Trust Office.

If the Government is the Owner of the single, fully-registered Certificate, surrender shall not be required for payment, except for final payment.

Section 2.10. Execution of Documents and Proof of Ownership. Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by Certificate Owners may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such Owners in person or by their attorneys or agents appointed by an instrument in writing for that purpose, or by any bank, trust company or other depository for such Certificate. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the holding and ownership of Certificates shall be sufficient for any purpose of this Trust Agreement (except as otherwise herein provided), if made in the following manner:

(a) The fact and date of the execution by any Owner or such Owner's attorney or agent of any such instrument and of any instrument appointing any such attorney or agent, may be proved by a certificate, which need not be acknowledged or verified, of an officer of any bank or trust company located within the United States of America, or of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in such jurisdictions, that the persons signing such instruments acknowledged before such notary or officer the execution thereof. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of the authority of such officer or member.

(b) The fact of the holding of Certificates by any Owner and the amount, the maturity and the numbers of such Certificates and the date of his holding the same may

be proved by reference to the Certificate Register maintained by the Trust Administrator provided for in Section 2.11 hereof. The Trust Administrator may conclusively assume that such ownership continues until transfer as provided in Section 2.07(a) hereof.

(c) Nothing contained in this Article II shall be construed as limiting the Trust Administrator to such proof, it being intended that the Trust Administrator may accept any other evidence of the matters herein stated which the Trust Administrator may deem sufficient. Any request or consent of the Owner of any Certificate shall bind every future Owner of the same Certificate in respect of anything done or suffered to be done by the Trust Administrator in pursuance of such request or consent.

Section 2.11. Certificate Register. The Trust Administrator will keep or cause to be kept, at the Principal Trust Office, sufficient books for the registration and transfer of the Certificates which shall be open at all reasonable times with reasonable prior notice during normal business hours of the Trust Administrator to inspection by the City and the Authority; and, upon presentation for such purpose, the Trust Administrator shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Certificates as hereinbefore provided.

Section 2.12. CUSIP Numbers. The Trust Administrator, the City and the Authority shall not be liable for any defect or inaccuracy in any CUSIP number that appears on any Certificate or in any prepayment notice. The Trust Administrator may, in its discretion, include in any prepayment notice a statement to the effect that any CUSIP numbers on the Certificates have been assigned by an independent service and are included in such notice solely for the convenience of the Owners and that neither the Trust Administrator, the City nor the Authority shall be liable for any inaccuracies in such numbers.

CUSIP numbers shall not be required if the Government is the Original Purchaser of a single, fully registered Certificate.

ARTICLE III CONSTRUCTION FUND

Section 3.01. Disposition of Certificate Proceeds; Construction Fund. The Trust Administrator shall establish the Construction Fund; shall keep such fund separate and apart from all other funds and moneys held by the Trust Administrator; and shall administer such fund as provided herein.

On the Closing Date, the Trust Administrator shall deposit in the Construction Fund the first installment of the proceeds of sale of the Certificates equal to \$_____.

Thereafter, the Trust Administrator shall deposit in the Construction Fund all additional installments of the proceeds of the sale of the Certificates, as and when disbursed by the Original Purchaser. In addition, the Trust Administrator shall deposit in the Construction Fund any other funds from time to time transferred to the Construction Fund in accordance with this Trust Agreement.

Section 3.02. Payment of Construction Costs.

(a) Amounts in the Construction Fund shall be disbursed for Construction Costs. Disbursements from the Construction Fund shall be made by the Trust Administrator upon receipt of a sequentially numbered requisition, a form of which is attached as Exhibit C, requesting disbursement executed by a City Representative and by the Government as the Certificate Owner.

(b) The Trust Administrator shall be responsible for the safekeeping and investment (in accordance with Section 8.02 hereof) of the moneys held in the Construction Fund and the payment thereof in accordance with this Section 3.02, but the Trust Administrator shall not be responsible for such requisitions.

Section 3.03. Payment of Delivery Costs.

(a) Amounts in the Construction Fund shall also be disbursed by the Trust Administrator to pay the Delivery Costs.

(b) The Trust Administrator shall disburse moneys in the Construction Fund to pay the Delivery Costs only upon a receipt of a sequentially numbered requisition, with bills, invoices or statements attached, signed by a City Representative (and, if required, by the Government as the Certificate Owner) setting forth the amounts to be disbursed for payment or reimbursement of Delivery Costs and the name and address of the person or persons to whom said amounts are to be disbursed, stating that the amounts to be disbursed are for Delivery Costs properly chargeable to the Construction Fund.

(c) The Trust Administrator shall be responsible for the safekeeping and investment (in accordance with Section 8.02 hereof) of the moneys held in the Construction Fund for the payment of Delivery Costs, and the payment thereof in accordance with this Section 3.03, but the Trust Administrator shall not be responsible for such requisitions.

(d) Any moneys not expended to pay Delivery Costs shall be used to pay the costs of the Project.

Section 3.04. Transfers of Unexpended Proceeds. The Trust Administrator is hereby directed that all unexpended moneys remaining in the Construction Fund and not identified in writing by a City Representative and by the Owner to be required for payment of Construction Costs or other capital improvements (the “Unexpended Proceeds”) shall, on the date of completion of the Project or as soon thereafter as the Trust Administrator is so notified, be transferred to the Lease Payment Fund and applied to the prepayment of the Certificates.

ARTICLE IV PREPAYMENT OF CERTIFICATE

Section 4.01. Prepayment.

(a) **Generally.** The Certificates shall not be subject to prepayment prior to maturity, except in the manner, at the times and in all respects in accordance with the provisions of this Article IV.

(b) **Prepayment From Net Proceeds of Insurance and Condemnation and from Unexpended Proceeds.** The Certificates are subject to prepayment in whole on any date and in part on any Interest Payment Date from the (i) Net Proceeds of any insurance or condemnation award and (ii) Unexpended Proceeds, which are, in either case deposited in the Lease Payment Fund and credited towards the prepayment made by the City pursuant to Section 9.3 of the Lease, at a prepayment price equal to the principal amount thereof, together with accrued interest to the date fixed for prepayment, without premium.

(c) **Optional Prepayment.** In addition, the Certificates are subject to prepayment in whole or in part on any date, at the principal amount with respect thereto, without premium, and with accrued interest to the date fixed for prepayment from the proceeds of optional prepayments made by the City pursuant to the Lease.

Section 4.02. Selection of Certificates for Prepayment. Whenever provision is made in this Trust Agreement for the prepayment of Certificates and less than all Outstanding Certificates are called for prepayment, the Trust Administrator shall select Certificates for prepayment in inverse order of maturity and by lot within a maturity. The Trust Administrator shall promptly notify the City and the Authority in writing of the Certificates so selected for prepayment.

Section 4.03. Notice of Prepayment.

(a) **General.** Notice of any such prepayment shall be given by the Trust Administrator on behalf and at the expense of the City by mailing a copy of a prepayment notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for prepayment to such Owner of the Certificate or Certificates to be redeemed at the address shown on the Certificate Register maintained by the Trust Administrator; provided, however, that neither the failure to receive such notice nor any defect in any notice shall affect the sufficiency of the proceedings for the prepayment of the Certificates.

(b) **Contents.** All notices of prepayment shall be dated and shall state: (i) the prepayment date, (ii) the prepayment price, (iii) if less than all Outstanding Certificates are to be prepaid, the identification (and, in the case of partial prepayment, the respective principal amounts) of the Certificates to be prepaid, (iv) that on the prepayment date the prepayment price will become due and payable with respect to each such Certificate or portion thereof called for prepayment, and that interest with respect thereto shall cease to accrue from and after said date, (v) the place where such Certificates are to be surrendered for payment of the prepayment price, which place of payment shall be the Principal Corporate Trust Office.

(c) Deposit. Prior to the mailing of any prepayment notice other than a prepayment notice relating to Certificates that are the subject of an advance refunding), the City shall deposit, or cause to be deposited, with the Trust Administrator an amount of money sufficient to pay the prepayment price of all the Certificates or portions of Certificates that are to be prepaid on the applicable prepayment date. In the case of a prepayment notice relating to Certificates that are the subject of an advance refunding, the City shall deposit, or cause to be deposited, with the Trust Administrator on or prior to the applicable prepayment date, an amount of money sufficient to pay the prepayment price of all the Certificates or portions of Certificates that are to be prepaid on such prepayment date.

(d) Prepayment. Notice of prepayment having been given as aforesaid, the Certificates or portions of Certificates so to be redeemed shall, on the prepayment date, become due and payable at the prepayment price therein specified, and from and after such date (unless the City defaults in the payment of the prepayment price) interest with respect to such Certificates or portions of Certificates shall cease to be payable. Upon surrender of such Certificates for prepayment in accordance with said notice, such Certificates shall be paid by the Trust Administrator at the prepayment price. Installments of interest due on or prior to the prepayment date shall be payable as herein provided for payment of interest. Upon surrender for any partial prepayment of any Certificate, there shall be executed and delivered for the Owner a new Certificate or Certificates of the same maturity in the amount of the un-prepaid principal. All Certificates which have been prepaid shall be canceled by the Trust Administrator, shall not be reissued and shall be destroyed pursuant to Section 14.07.

If the Government is the Owner, prepayment shall be endorsed on the single, fully registered Certificate registered to the Government.

Section 4.04. Partial Prepayment of Certificate. Upon surrender of any Certificate prepaid in part only, the Trust Administrator shall execute and deliver to the Owner thereof, at the expense of the City, a new Certificate or Certificates of authorized denominations equal in aggregate principal amount to the un-prepaid portion of the Certificate surrendered and of the same interest rate and the same maturity.

Section 4.05. Effect of Notice of Prepayment. After notice has been given and the moneys for the prepayment, including interest to the applicable Interest Payment Date and premium, if any, having been set aside in the Lease Payment Fund, the Certificates to be redeemed shall become due and payable on the Interest Payment Date, and, upon presentation and surrender thereof at the Principal Trust specified in such notice, such Certificates shall be paid at the unpaid principal amount with respect thereto, and any unpaid and accrued interest to the Interest Payment Date.

If, on the Interest Payment Date, moneys for the prepayment of all the Certificates to be prepaid, together with interest to such Interest Payment Date, shall be held by the Trust Administrator so as to be available therefor on such Interest Payment Date, and, if notice of prepayment thereof shall have been given, then, from and after such Interest Payment Date, interest with respect to the Certificates to be prepaid shall cease to accrue and become payable. If such moneys shall not be so available on the Interest Payment Date, interest with respect to such Certificates shall continue to be payable at the same rates as it would have been payable had the Certificates not been called for prepayment. All moneys held by or on behalf of the Trust Administrator for the prepayment of particular Certificate shall be held in trust for the account of

the Owners of the Certificate so to be prepaid. The Trust Administrator shall not be liable for any interest earned on the amounts so held.

Section 4.06. Purchase of Certificates in Lieu of Prepayment. In lieu of prepayment of Certificates as provided in this Article IV, amounts held by the Trust Administrator for such prepayment may also be used on any Interest Payment Date, upon receipt by the Trust Administrator at least 90 days prior to the next scheduled Interest Payment Date of the written request of a City Representative, for the purchase of Certificates at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) as the City may in its discretion direct, but not to exceed the prepayment price which would be payable if such Certificates were prepaid; *provided, however*, that no Certificate shall be purchased in lieu of prepayment with a trade settlement date less than 75 days prior to the relevant prepayment date. The aggregate principal amount of Certificates of the same maturity purchased in lieu of prepayment pursuant to this Section 4.06 shall not exceed the aggregate principal amount of Certificates of such maturity which would otherwise be subject to such prepayment. Remaining moneys, if any, shall be deposited in the Lease Payment Fund.

**ARTICLE V
LEASE PAYMENTS; LEASE PAYMENT FUND**

Section 5.01. Assignment of Rights in Lease .

(a) Assignment by the Authority. Under the Assignment Agreement, the Authority irrevocably assigns and transfers to the Trust Administrator, for the benefit of the Owners of the Certificates, all of its rights and interest in the Lease (excepting only its rights under Sections 4.7, 5.10, 7.3 and 8.4 thereof), including, without limitation, its rights to receive and collect Lease Payments from City under the Lease.

(b) Acceptance by the Trust Administrator. Under the Assignment Agreement, the Trust Administrator accepts such assignment in trust for the purpose of securing, equally and proportionately, such payments and rights to the Owner of the Certificates delivered pursuant to this Trust Agreement, all subject to the provisions of this Trust Agreement.

(c) Application of Lease Payments. The Lease Payments shall be applied, and the rights assigned by the Authority to the Trust Administrator shall be exercised, by the Trust Administrator as provided in this Trust Agreement for the benefit of the Owners of the Certificates.

All Lease Payments, prepayments and such other amounts which the Authority may at any time be entitled to shall be paid directly to the Trust Administrator and, if the Authority receives or collects Lease Payments, such payments shall be deemed to be held or to have been collected or received by the Authority as agent of the Trust Administrator.

Section 5.02. Establishment of Lease Payment Fund. The Trust Administrator shall establish the Lease Payment Fund. All moneys at any time deposited by the Trust Administrator in the Lease Payment Fund shall be held by the Trust Administrator in trust for the benefit of the Owners of the Certificates. So long as any Certificates are Outstanding, neither the City nor the Authority shall have any beneficial right or interest in the Lease Payment Fund or the moneys deposited therein, except only as provided in this Trust Agreement, and such moneys shall be used and applied by the Trust Administrator as hereinafter set forth.

Section 5.03. Deposits. There shall be deposited in the Lease Payment Fund all Lease Payments and prepayments received by the Trust Administrator, including any moneys received by the Trust Administrator for deposit therein pursuant to Sections 4.06, 5.05, 6.01 hereof or Article IV of the Lease, and any other moneys required to be deposited therein pursuant to the Lease or pursuant to this Trust Agreement.

Section 5.04. Application of Moneys. All amounts in the Lease Payment Fund shall be used and withdrawn by the Trust Administrator solely for the purpose of paying principal and interest with respect to the Certificates as the same become due and payable, in accordance with the provisions of Article II hereof.

Section 5.05. Surplus. Any surplus remaining in the Lease Payment Fund, after payment of all Certificates, and accrued interest (if any) and payment of any applicable fees, costs and expenses to the Trust Administrator, or provision for such prepayment or payment having been made to the satisfaction of the Trust Administrator, shall be withdrawn by the Trust Administrator and remitted to the City.

ARTICLE VI RESERVE FUND

Section 6.01. Establishment of Reserve Fund. The Trust Administrator shall establish the Reserve Fund and shall keep such fund separate and apart from all other funds and moneys held by the Trust Administrator. All moneys at any time on deposit in the Reserve Fund shall be held by the Trust Administrator in trust for the benefit of the Owners of the Certificates, and applied solely as provided herein.

Section 6.02. Deposits. There shall be deposited in the Reserve Fund the amounts specified in Section 4.8 of the Lease until the amount on deposit in the Reserve Fund reaches the Reserve Requirement.

Section 6.03. Transfers. The Trust Administrator shall, on or before each May 1 and November 1, after the payment of Debt Service with respect to the Certificates, transfer any moneys in the Reserve Fund in excess of the Reserve Requirement as provided in Section 8.03 hereof.

Section 6.04. Application in Event of Deficiency in the Lease Payment Fund. If, on any Interest Payment Date, the moneys available in the Lease Payment Fund do not equal the amount of the principal, interest and prepayment premium (if any) with respect to the Certificates then coming due and payable, the Trust Administrator shall apply the moneys available in the Reserve Fund to make delinquent Lease Payments on behalf of the City and transfer the amount necessary for this purpose to the Lease Payment Fund. Upon receipt of any delinquent Lease Payment with respect to which moneys have been advanced from the Reserve Fund such Lease Payment shall be deposited in the Reserve Fund to the extent of such advance.

Section 6.05. Transfer to Make All Lease Payments. If on any Lease Payment Date, the moneys on hand in the Reserve Fund and the Lease Payment Fund are sufficient to pay all Outstanding Certificates, including all principal and interest the Trust Administrator shall, upon the written direction of a City Representative, accompanied by all amounts then on hand in the Reserve Fund, deposit such funds in the Lease Payment Fund to be applied to the payment of the Lease Payments or prepayments on behalf of the City, and such moneys shall be distributed to the Owners of the Certificates in accordance with Article II and Article IV of this Trust Agreement.

Section 6.06. Replenishment of Reserve Fund. The City shall maintain or cause to be maintained in the Reserve Fund an amount equal to the amounts required to be deposited therein pursuant to Section 3.11 of the Lease, and thereafter the amount of the Reserve Requirement. If, on any date of computation, amounts on hand in the Reserve Fund are less than such required amounts because of a transfer therefrom made in accordance with Section 6.03 hereof, the City shall pay to the Trust Administrator an amount necessary to bring the amounts on deposit in the Reserve Fund to the amount required to be maintained therein; provided, however, that the period of time permitted herein for the replenishment of the Reserve Fund by the City shall not affect any other provision of this Trust Agreement.

ARTICLE VII INSURANCE AND CONDEMNATION FUND; INSURANCE; EMINENT DOMAIN

Section 7.01. Establishment of Insurance and Condemnation Fund; Application of Net Proceeds of Insurance Award. Any Net Proceeds of insurance collected by the City in the event of accident to or destruction of the Site and Facilities shall be paid to the Trust Administrator pursuant to Section 6.1 of the Lease and deposited by the Trust Administrator promptly upon receipt thereof in a special fund designated as the "Insurance and Condemnation Fund" which the Trust Administrator shall thereupon establish.

If the City determines and notifies the Trust Administrator in writing of its determination, within 45 days following the date of such deposit, that the replacement, repair, restoration, modification or improvement of the Site and Facilities is not economically feasible or in the best interests of the City, then such Net Proceeds shall be promptly transferred by the Trust Administrator to the Lease Payment Fund and applied to the prepayment of Lease Payments pursuant to Section 9.3 of the Lease and the corresponding prepayment of Certificates pursuant to Section 4.01(b) hereof, but only to the extent the remaining fair market value of the Site is equal to or exceeds the remaining Certificates.

In the event of damage or destruction of the Site and Facilities in full, such Net Proceeds may be transferred to the Lease Payment Fund to be used to prepay Outstanding Certificates only if such Net Proceeds, together with other available moneys, are sufficient to cause the corresponding prepayment of all Lease Payments.

All Net Proceeds deposited in the Insurance and Condemnation Fund and not so transferred to the Lease Payment Fund shall be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Site and Facilities by the City, upon receipt of written requisitions of the City stating, with respect to each payment to be made the following:

- (a) the name and address of the person, firm or corporation to whom payment is due,
- (b) the amount to be paid and
- (c) that each obligation mentioned therein has been properly incurred, is a proper charge against the Insurance and Condemnation Fund, has not been the basis of any previous withdrawal, and specifying in reasonable detail the nature of the obligation.

Each such written requisition shall be sufficient evidence to the Trust Administrator of the facts stated therein and the Trust Administrator shall have no duty to confirm the accuracy of such facts. Any balance of the Net Proceeds remaining after the City files a written certificate with the Trust Administrator stating that such work has been completed shall be paid to the City.

Section 7.02. Deposit and Application of Net Proceeds of Eminent Domain Award. If all or any part of the Site and Facilities is 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 with the Trust Administrator in the Insurance and Condemnation Fund, which the Trust Administrator shall thereupon establish pursuant to Section 6.1 of the Lease, and shall be applied and disbursed by the Trust Administrator as follows:

(a) If the City has given written notice to the Trust Administrator of its determination that (i) such eminent domain proceedings have not materially affected the interest of the City in the Site and Facilities, or the ability of the City to meet any of its financial obligations under the Lease, and (ii) that such proceeds are not needed for repair, replacement or rehabilitation of the Site and Facilities, and the City has given written notice to the Trust Administrator of such determination, the Trust Administrator shall transfer such proceeds to the Lease Payment Fund to be credited toward the payment of the Lease Payments as they become due and payable.

(b) If the City has given written notice to the Trust Administrator of its determination that (i) such eminent domain proceedings have not materially affected the interest of the City in the Site and Facilities, or the ability of the City to meet any of its financial obligations under the Lease, and (ii) such proceeds are needed for repair, replacement or rehabilitation of the Site and Facilities, the Trust Administrator shall pay to the City, or to its order, from those proceeds such amounts as the City may expend for such repair or rehabilitation, upon the filing of requisitions of the City Representative meeting the requirements of Section 7.01 hereof.

(c) If (i) less than all of the Site and Facilities is taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the City has given written notice to the Trust Administrator of its determination that such eminent domain proceedings have materially affected the interest of the City in the Site and Facilities, or the ability of the City to meet any of its financial obligations under the Lease, or (ii) all of the Site and Facilities has been taken in such eminent domain proceedings, then the Trust Administrator shall transfer such proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments pursuant to Section 9.3 of the Lease and applied to the corresponding prepayment of Certificates in the manner provided in Section 4.01(b) hereof.

In making any such determination whether to repair, replace or rehabilitate the Site and Facilities under this Section, the City may obtain, 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 Trust Administrator. Any such determination by the City shall be final.

Section 7.03. Excess Net Proceeds. After all of the Certificates have been retired and the entire amount of principal and interest with respect to the Certificates and any remaining fees and expenses of the Trust Administrator have been paid in full, the Trust Administrator shall transfer any remaining funds to the City.

Section 7.04. Cooperation. The Authority shall cooperate with the City at the expense of the City in filing any proof of loss with respect to any insurance policy maintained pursuant to Article V of the Lease and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Site and Facilities or any part thereof.

ARTICLE VIII MONEYS IN FUNDS; INVESTMENT

Section 8.01. Held in Trust. The moneys and investments held by the Trust Administrator under this Trust Agreement, except for those held in the Construction Fund and the Delivery Cost Fund, are irrevocably held in trust for the benefit of the Owner(s) of the Certificates, and for the purposes herein specified, and such moneys, and any income or interest earned thereon, shall be expended only as provided in this Trust Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of either the Authority, the Trust Administrator or the City or any Owner of Certificates, or any of them until after the Certificates have been paid in full.

Section 8.02. Investments Authorized. Moneys held by the Trust Administrator hereunder shall, upon written order of a City Representative, be invested and reinvested by the Trust Administrator, to the maximum extent practicable, in Permitted Investments.

If a City Representative fails to so direct investments, the Trust Administrator shall invest the affected moneys in Permitted Investments described in paragraph (g) of the definition thereof.

A City Representative may, by written order filed with the Trust Administrator, direct investment of moneys held by the Trust Administrator in specific Permitted Investments.

Investments purchased with moneys on deposit in the Reserve Fund shall have a term not greater than five years. Investments, if registrable, shall be registered in the name of and held by the Trust Administrator or its nominee. The Trust Administrator may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section 8.02. Such investments and reinvestments shall be made giving full consideration to the time at which funds are required to be available. The Trust Administrator may act as principal or agent in the making or disposing of any investment.

The Trust Administrator shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Article VIII. The Trust Administrator shall be entitled to rely conclusively upon the written instructions of a City Representative directing investments as to the fact that each investment is permitted by the laws of the State and constitutes a Permitted Investment hereunder, and the Trust Administrator shall not be required to make further investigation with respect thereto. To the extent that any of the requirements concerning any Permitted Investment embodies a legal conclusion, the Trust Administrator shall be entitled to conclusively rely upon a certificate from the appropriate party or an opinion of counsel to such party that such requirement has been met.

Section 8.03. Allocation of Earnings.

(a) All interest or income received by the Trust Administrator on investment of the Construction Fund shall, as received, be retained in the Construction Fund.

(b) All interest or income received by the Trust Administrator on investment of the Lease Payment Fund shall, as received, be retained in the Lease Payment Fund. Amounts retained in the Lease Payment Fund pursuant to this Section shall be applied as a credit against the Lease Payment due by the City pursuant to the Lease on the Lease Payment Date following the date of deposit.

(c) All interest or income received by the Trust Administrator on investment of the Reserve Fund shall be retained in the Reserve Fund in the event that amounts on deposit in the Reserve Fund are less than the Reserve Requirement. Pursuant to Section 6.03 hereof, if amounts then on deposit in the Reserve Fund equal or exceed the Reserve Requirement, such excess shall, as received, be transferred, prior to the date of completion of the Project, to the Construction Fund, and after the date of completion of the Project, shall be transferred to the Lease Payment Fund and shall be applied as a credit against the Lease Payment due by the City pursuant to the Lease on the Lease Payment Date following the date of deposit. Transfers to the Lease Payment Fund from the Reserve Fund shall be made by the Trust Administrator on or prior to each Lease Payment Date.

Section 8.04. Accounting. The Trust Administrator shall furnish to the City a semi-annual accounting of all investments, transactions and disbursements made by the Trust Administrator. The Trust Administrator may commingle, at its sole discretion, any of the funds held by it pursuant to this Trust Agreement into a separate fund or funds for investment purposes only; provided, however, that all funds or accounts held by the Trust Administrator hereunder shall be accounted for separately notwithstanding such commingling by the Trust Administrator.

Section 8.05. Acquisition, Disposition and Valuation of Investments.

(a) Except as otherwise provided in subsection (b) of this Section 8.05, the City covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Trust Agreement, or otherwise containing gross proceeds of the Certificates (within the meaning of section 148 of the Tax Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Trust Agreement or the Tax Code) at Fair Market Value.

(b) Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Tax Code and (unless valuation is undertaken at least annually) investments in the Reserve Fund shall be valued at their present value (within the meaning of section 148 of the Tax Code).

ARTICLE IX THE TRUST ADMINISTRATOR

Section 9.01. Appointment of Trust Administrator. The Trust Administrator is hereby appointed by the Authority and the City for the purpose of receiving all moneys required to be deposited with the Trust Administrator hereunder and to allocate, use and apply the same as provided in this Trust Agreement.

(a) General. The Trust Administrator is hereby authorized to pay or redeem the Certificates when duly presented for payment at maturity, or on prepayment, and to endorse such prepayment on the Certificates upon prepayment thereof. The Trust Administrator shall keep accurate records of all funds administered by it and of all such prepayments. The Trust Administrator shall be compensated for its services rendered pursuant to the provisions of this Trust Agreement and shall be reimbursed for costs and expenses, including attorney's fees, incurred in connection therewith, subject to the provisions of any written agreement between the Trust Administrator and the City.

(b) Successor. So long as no Event of Default occurs and is continuing, the City may, with the written consent of the Owners, remove the Trust Administrator initially appointed, and any successor thereto, on 30 days' written notice and may appoint a successor or successors thereto; provided that any such successor shall be a bank or trust company which shall be a corporation organized and doing business under the laws of any state, the City or the United States of America, authorized under such laws to exercise corporate trust powers, which shall have (or, in the case of a corporation included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least \$50,000,000, and be subject to supervision or examination by federal or state authority, so long as any Certificates are Outstanding. If such corporation publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this Section 9.01 the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Any removal of the Trust Administrator shall not be effective until written acceptance of appointment by the successor Trust Administrator.

(c) Resignation. The Trust Administrator may at any time resign by giving written notice to the Authority and the City and by providing notice by first class mail, postage prepaid, to the Owners at their addresses as shown on the Certificate registration books maintained by the Trust Administrator. Said mailing shall be made prior to the proposed effective date of resignation. Upon receiving such notice of resignation, the City, with the written consent of the Owners, shall promptly appoint a successor Trust Administrator by an instrument in writing; *provided, however*, that in the event that the City does not appoint a successor Trust Administrator within 30 days following receipt of such notice of resignation the Authority may appoint a successor Trust Administrator and in the event that the Authority does not appoint such successor Trust Administrator, the resigning Trust Administrator, at the expense of the City, may petition any appropriate court having jurisdiction to appoint a successor Trust Administrator. Any resignation or removal of the Trust Administrator and appointment of a successor Trust Administrator shall become effective upon acceptance of appointment by the successor Trust

Administrator and receipt by the Trust Administrator of any fees and expenses due and payable to it.

Section 9.02. Liability of Trust Administrator. The recitals of facts, covenants and agreements herein and in the Certificates contained shall be taken as statements, covenants and agreements of the Authority and the City, and the Trust Administrator neither assumes any responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Trust Agreement or of the Certificates nor shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Certificates assigned to or imposed upon the Trust Administrator.

Section 9.03. Merger or Consolidation. Any company into which the Trust Administrator may be merged or converted or with which any of them may be consolidated or any company resulting from any merger, conversion or consolidation to which any of them shall be a party or any company to which the Trust Administrator may sell or transfer all or substantially all of its corporate trust business, provided that such company shall be eligible under Section 9.01, shall be the successor to the Trust Administrator without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 9.04. Protection and Rights of the Trust Administrator.

(a) **Good Faith.** The Trust Administrator shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificates, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Trust Agreement, and the Trust Administrator shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements.

(b) **Ownership Claims.** The Trust Administrator shall not be bound to recognize any person as an Owner of any Certificate or to take any action at such Owner's request unless such Certificate is deposited with the Trust Administrator or satisfactory evidence of the ownership of such Certificate is furnished to the Trust Administrator.

(c) **Counsel.** The Trust Administrator may consult with counsel, who may be counsel to the City, with regard to legal questions and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance therewith.

(d) **Proof.** Whenever in the administration of its duties under this Trust Agreement, the Trust Administrator shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) shall be deemed to be conclusively proved and established by the Written Certificate of the City Representative or Authority Representative and such Written Certificate shall be full warranty to the Trust Administrator for any action taken or suffered under the provisions of this Trust Agreement upon the faith thereof, but in its discretion the Trust Administrator may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

(e) Owner. The Trust Administrator may become the Owner of the Certificates with the same rights it would have if it were not Trust Administrator; may acquire and dispose of other bonds or evidence of indebtedness of the City with the same rights it would have if it were not the Trust Administrator; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Certificates, whether or not such committee shall represent the Owners of the majority in principal amount of the Certificates then Outstanding.

(f) Powers and Liability. The Trust Administrator may execute any of the powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of its duty hereunder, and the Trust Administrator shall not be liable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care. The Trust Administrator shall not be liable for the exercise of any discretion or power under this Trust Agreement or for anything whatever in connection with the funds and accounts established hereunder, except only for its own willful misconduct or negligence.

(g) Limits of Liability. The Trust Administrator undertakes to perform such duties, and only such duties as are specifically set forth in this Trust Agreement and no implied duties or obligations shall be read into this Trust Agreement against the Trust Administrator. No provision in this Trust Agreement shall require the Trust Administrator to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not assured to it. In accepting the duties hereby enumerated, the Trust Administrator acts solely as Trust Administrator for the Owners and not in its individual capacity and all persons, including without limitation the Owners and the City or the Authority having any claim against the Trust Administrator arising from the Trust Agreement shall look only to the funds and accounts held by the Trust Administrator hereunder for payment except as otherwise provided herein. Under no circumstances shall the Trust Administrator be liable in its individual capacity for the obligations evidenced by the Certificates. The Trust Administrator shall not be liable in its individual capacity with respect to any action taken or omitted to be taken by the Trust Administrator in good faith in accordance with the written request of the Owners of the Certificates.

(h) No Representations. The Trust Administrator makes no representation or warranty, express or implied as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the City of the Project. In no event shall the Trust Administrator be liable for incidental, indirect, special or consequential damages in connection with or arising from the Lease or Trust Agreement for the existence, furnishing or use of the Project.

(i) Enforcement; Knowledge. The Trust Administrator shall not be responsible for the sufficiency or enforceability of the Lease or the assignment by the Authority under Section 5.01 of this Trust Agreement of its rights to receive Lease Payments. The Trust Administrator shall not be deemed to have knowledge of any Event of Default hereunder or under the Lease except failure by the City to make Lease

Payments unless the Trust Administrator is specifically notified in writing of such Event of Default.

(j) Released and Unclaimed Funds. The Trust Administrator shall not be accountable for the use or application by the City or any other party of any funds which the Trust Administrator has released under this Trust Agreement. Subject to applicable escheat laws, any amounts unclaimed 2 years after the final prepayment or maturity date of the Certificates, whichever occurs first, shall be paid by the Trust Administrator to the City, and thereafter, the Owner of any Certificates remaining unpaid shall look to the City for the payment of such Certificates.

Section 9.05. Appointment of Trustee. In the event that an Event of Default shall occur or if it shall otherwise be necessary for the Trust Administrator to enforce payment of the Lease Payments, prepayments or any other amount required to be deposited into the Lease Payment Fund or the Insurance and Condemnation Fund, or to exercise any of the remedies set forth in Article XIII hereof, or if it is determined that the Trust Administrator is unable to perform any of the other duties hereunder, the City, with the written consent of the Government as the Owner, shall appoint a trustee to succeed to the duties and responsibilities of the Trust Administrator hereunder, such appointment to be effective immediately upon written notice thereof to the Trust Administrator. Any trustee appointed in such circumstances shall meet the requirements of the third paragraph of Section 9.01 hereof. Upon such appointment, the term "Trust Administrator" in this Agreement shall also refer to such trustee.

**ARTICLE X
MODIFICATION OR AMENDMENT OF AGREEMENTS**

Section 10.01. Amendments Permitted.

(a) With Consent. This Trust Agreement and the rights and obligations of the Owners of the Certificates and the Lease and the rights and obligations of the parties thereto, may be modified or amended at any time by a supplemental agreement which shall become effective when the written consent of the Owners of at least 60% in aggregate principal amount of the Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 10.03, shall have been filed with the Trust Administrator. No such modification or amendment may

(1) extend or have the effect of extending the fixed maturity of any Certificate or reducing the interest rate with respect thereto or extending the time of payment of interest, or reducing the amount of principal thereof or reducing any premium payable upon the prepayment thereof, without the express consent of the Owner of such Certificate, or

(2) reduce or have the effect of reducing the percentage of Certificates required for the affirmative vote or written consent to an amendment or modification of the Lease, or

(3) modify any of the rights or obligations of the Trust Administrator without its written assent thereto.

Any such supplemental agreement shall become effective as provided in Section 10.02.

(b) Without Consent. This Trust Agreement and the rights and obligations of the Owners of the Certificates and the Lease and the rights and obligations of the parties thereto, may be modified or amended at any time by a supplemental agreement, without the consent of any such Owners, but only to the extent permitted by law and only

(1) to cure, correct or supplement any ambiguous or defective provision contained herein or therein, or

(2) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which shall not, in the opinion of nationally recognized bond counsel, materially adversely affect the interest of the Owners of the Certificates, or

(3) if and to the extent specified in an opinion of nationally recognized bond counsel filed with the City, the Authority and the Trust Administrator, to make such additions, deletions or modifications as may be necessary to assure compliance with section 148(f) of the Tax Code or otherwise as may be necessary to assure exclusion from gross income for purposes of federal income taxation of the interest component of Lease Payments.

Any such supplemental agreement shall become effective upon its execution and delivery by the parties hereto or thereto as the case may be.

(c) **Counsel.** The Trust Administrator may obtain an opinion of Independent Counsel that any amendment entered into hereunder complies with the provisions of this Article X and the Trust Administrator may rely conclusively on such opinion.

Section 10.02. Procedure for Amendment with Written Consent of Certificate Owners.

(a) **General.** This Trust Agreement or the Lease may be amended by supplemental agreement as provided in this Section 10.02 if the consent of the Owners of the Certificates is required pursuant to Section 10.01. A copy of such supplemental agreement, together with a request to the Certificate Owners for their consent thereto, shall be mailed by the Trust Administrator to the Owner of each Certificate at his address as set forth in the Certificate Register, but failure to mail copies of such supplemental agreement and request shall not affect the validity of the supplemental agreement when assented to as provided in this Section 10.02.

(b) **Effective.** Such supplemental agreement shall not become effective unless there shall be filed with the Trust Administrator the written consent of the Owners of at least 60% in aggregate principal amount of the Certificates then Outstanding (exclusive of Certificates disqualified as provided in Section 10.03) and a notice shall have been mailed as hereinafter provided in this Section 10.02. Each such consent shall be effective only if accompanied by proof of ownership of the Certificates for which such consent is given, which proof shall be such as is permitted by Section 2.11. Any such consent shall be binding upon the Owner of the Certificates giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trust Administrator within 5 Business Days of the date when the notice of consent hereinafter in this Section 10.02 provided for has been mailed. Any revocation received by the Trust Administrator later than 5 Business Days after such notice has been mailed shall be of no force and effect.

(c) **Notice.** After the Owners of the required percentage of Certificates have filed their consents to such supplemental agreement, the Trust Administrator shall mail a notice to the Owners of the Certificates in the manner hereinbefore provided in this Section 10.02 for the mailing of such supplemental agreement at the notice of adoption thereof, stating in substance that such supplemental agreement has been consented to by the Owners of the required percentage of Certificates and will be effective as provided in this Section 10.02 (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto). A record, consisting of the papers required by this Section 10.02 to be filed with the Trust Administrator, shall be conclusive proof of the matters therein stated until the contrary is proved. Such supplemental agreement shall be deemed conclusively binding upon the parties hereto and the Owners of all Certificates at the expiration of 60 days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 60-day period.

Section 10.03. Disqualified Certificate. Certificates owned or held by or for the account of the City or by any person directly or indirectly controlled or controlled by, or under direct or

indirect common control with the City (except any Certificate held in any pension or retirement fund) shall not be deemed Outstanding for the purpose of any vote, consent, waiver or other action or any calculation of Outstanding Certificate provided for in this Trust Agreement, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Trust Agreement.

Section 10.04. Effect of Supplemental Agreement. From and after the time any supplemental agreement becomes effective pursuant to this Article X, this Trust Agreement or the Lease, as the case may be, shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners of Certificates Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any supplemental agreement shall be deemed to be part of the terms and conditions of this Trust Agreement or the Lease, as the case may be, for any and all purposes.

The City may adopt appropriate regulations to require each Certificate Owner, before such Owner's consent provided for in this Article X shall be deemed effective, to reveal the Certificate as to which such consent is given are disqualified as provided in Section 10.03.

Section 10.05. Endorsement or Replacement of Certificates Delivered After Amendments. The City may determine that Certificates delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by the Trust Administrator, as to such action. In that case, upon demand of the Owner of any Certificate Outstanding at such effective date and presentation of such Owner's Certificate for the purpose at the Principal Corporate Trust Office, a suitable notation shall be made on such Certificate. The City may determine that new Certificates, so modified as in the opinion of the City is necessary to conform to such Certificate Owners' action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Certificate then Outstanding, such new Certificate shall be exchanged in the Principal Corporate Trust Office, without cost to such Owner, for a Certificate of the same character then Outstanding, upon surrender of such Certificate.

Section 10.06. Amendatory Endorsement of Certificate. The provisions of this Article X shall not prevent any Certificate Owner from accepting any amendment as to the particular Certificate held by such Owner, provided that due notification thereof is made on such Certificate.

ARTICLE XI COVENANTS

Section 11.01. Compliance With and Enforcement of Lease . The City covenants and agrees with the Owners of the Certificates to perform all obligations and duties imposed on it under the Lease. The Authority covenants and agrees with the Owners of the Certificates to perform all obligations and duties imposed on it under the Lease.

The City will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for cancellation or termination of the Lease by the Authority thereunder. The Authority and the City, immediately upon receiving or giving any notice, communication or other document in any way relating to or affecting their respective estates, or either of them, in the Site and Facilities, which may or can in any manner affect such estate of the City, will deliver the same, or a copy thereof, to the Trust Administrator.

Section 11.02. Observance of Laws and Regulations. The City will well and truly keep, observe and perform 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 by the City, including its right to exist and carry on business as a public agency, 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 11.03. Prosecution and Defense of Suits. The City shall promptly, upon request of the Trust Administrator or any Certificate Owner holding at least 25% in principal amount of the Certificates from time to time, take such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Site and Facilities, whether now existing or hereafter developing and shall, to the extent permitted by law, prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall indemnify and save the Trust Administrator and every Certificate Owner harmless from all loss, cost, damage and expense, including attorneys' fees, which they or any of them may incur by reason of any such defect, cloud, suit, action or proceeding.

Section 11.04. Recordation and Filing. The City shall record and file the Lease or a memorandum thereof, the Assignment Agreement and all such documents as may be required by law (and shall take all further actions which may be necessary or be reasonably required by the Trust Administrator), all in such manner, at such times and in such places as may be required by law in order fully to preserve, protect and perfect the security of the Trust Administrator and the Certificate Owners.

Section 11.05. Further Assurances. The Authority, the City and the Trust Administrator (at the cost and request of the City or the Authority) will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Trust Agreement, and for the better assuring and confirming unto the Owners of the Certificates the rights and benefits provided herein.

Section 11.06. Filing. The City shall be responsible for the filing of any supplemental instruments or documents of further assurance as may be required by law in order to perfect or renew the security interests created by this Trust Agreement. Neither the Trust Administrator nor the Authority shall be responsible for such filing.

Section 11.07. Private Activity Bond Limitation. The City shall assure that proceeds of the Certificates are not so used as to cause the Certificates or the Lease 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.

Section 11.08. Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Certificates or the Lease to be “federally guaranteed” within the meaning of section 149(b) of the Tax Code.

Section 11.09. Exemption From Rebate Requirement. The City is a governmental unit with the power to impose taxes of general applicability which, when collected, may be used for general purposes of the City; the Certificates are not “private activity bonds” within the meaning of section 141 of the Tax Code and 95% of the net sale proceeds of the Certificates are to be used for local governmental activities of the City. The aggregate face amount issued by the City, including all subordinate entities of the City and all entities which may issue obligations on behalf of the City, during the calendar year 2017 is not reasonably expected to exceed \$5,000,000, excluding, however, that portion of current refunding obligations having a principal amount no in excess of the principal amount of the refunded obligation. By reason of the statements set forth in this subparagraph, the City will not rebate excess investment earnings, if any, to the federal government.

Section 11.10. No Arbitrage. The City shall not take, or permit or suffer to be taken by the Trust Administrator or otherwise, any action with respect to the proceeds of the Certificates which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Certificates or the Lease to be “arbitrage bonds” within the meaning of section 148 of the Tax Code.

Section 11.11. Maintenance of Tax-Exemption. The City shall take all actions necessary to assure the exclusion of interest with respect to the Certificates from the gross income of the Owners of the Certificates to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the Closing Date.

Section 11.12. Small Issuer Exemption from Bank Nondeductibility Restriction. The City hereby designates the Lease for purposes of paragraph (3) of section 265(b) of the Tax Code and represents that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under section 103(a) of the Tax Code) from gross income for federal income tax purposes (excluding (i) “private activity bonds,” as defined in section 141 of the Tax Code, except qualified 501(c)(3) bonds as defined in section 145 of the Tax Code and (ii) current refunding obligations to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation), including the Lease, has been or will be issued by the City, including all subordinate entities of the City, during the calendar year 2017.

ARTICLE XII LIMITATION OF LIABILITY

Section 12.01. Limited Liability of the City. Except for the payment of Lease Payments and prepayments when due in accordance with the Lease and the performance of the other covenants and agreements of the City contained in said Agreement, the City shall have no pecuniary obligation or liability to any of the other parties or to the Owners of the Certificates with respect to this Trust Agreement or the terms, execution, delivery or transfer of the Certificates, or the distribution of Lease Payments to the Owners by the Trust Administrator except as expressly set forth herein.

Section 12.02. No Liability of the Authority for Trust Administrator Performance. Neither the City nor the Authority shall have any obligation or liability to the other party or to the Owners of the Certificates with respect to the performance by the Trust Administrator of any duty imposed upon the Trust Administrator under this Trust Agreement.

Section 12.03. Indemnification of Trust Administrator. The City shall to the extent permitted by law indemnify and save the Trust Administrator, its officers, employees, directors and agents harmless from and against all claims, losses, costs, expenses, liability 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 Project by the Authority or the City;
- (b) any breach or default on the part of the Authority or the City in the performance of any of their respective obligations under the Lease, this Trust Agreement and any other agreement made and entered into for purposes of the Project;
- (c) any act of the Authority or the City or of any of their respective agents, contractors, servants, employees or licensees with respect to the Project;
- (d) any act of any assignee of, or purchaser from the Authority or the City or of any of its or their respective agents, contractors, servants, employees or licensees with respect to the Project;
- (e) the acquisition, construction, installation and equipping of the Project or the authorization of payment of Construction Costs or Delivery Costs;
- (f) the actions of any other party, including but not limited to the ownership, operation or use of the Project by the Authority or the City;
- (g) the Trust Administrator's exercise and performance of its powers and duties hereunder; or
- (h) the offering and sale of the Certificates.

No indemnification will be made under this Section 12.03 or elsewhere in this Trust Agreement for willful misconduct or negligence under this Trust Agreement by the Trust Administrator, its officers or employees. The City's obligations hereunder shall remain valid and

binding notwithstanding maturity and payment of the Certificates or resignation or removal of the Trust Administrator.

Section 12.04. Limitation of Rights to Parties and Certificate Owners. Nothing in this Trust Agreement or in the Certificates expressed or implied is intended or shall be construed to give any person other than the City, the Authority, the Trust Administrator and the Owners of the Certificates, any legal or equitable right, remedy or claim under or in respect of this Trust Agreement or any covenant, condition or provision hereof; and all such covenants, conditions and provisions are and shall be for the sole and exclusive benefit of the City, the Authority, the Trust Administrator and said Owners.

ARTICLE XIII EVENTS OF DEFAULT AND REMEDIES OF CERTIFICATE OWNERS

Section 13.01. Assignment of Rights. Under Section 5.01 of this Trust Agreement, the Authority transfers, assigns and sets over to the Trust Administrator all of the Authority's rights under the Lease (excepting only the Authority's rights under Sections 5.06, 7.03 and 9.04 thereof), including without limitation the Authority's rights to exercise such rights and remedies conferred on the Authority pursuant to the Lease as may be necessary or convenient (i) to enforce payment of the Lease Payments, prepayments and any other amounts required to be deposited in the Lease Payment Fund or the Insurance and Condemnation Fund, and (ii) otherwise to exercise the Authority's rights and take any action to protect the interests of the Trust Administrator or the Certificate Owners in an Event of Default.

Section 13.02. Remedies. If an Event of Default occurs, then and in each and every such case during the continuance of such Event of Default, the Trust Administrator may exercise any and all remedies available hereunder pursuant to law or granted pursuant to the Lease.

Upon the occurrence of an Event of Default, the Trust Administrator may, and shall, at the written direction of the Owners of a majority of the principal amount of Certificates then Outstanding, by written notice to the City, declare the principal of the Lease Payments to be immediately due and payable, whereupon that portion of the principal of the Lease thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this Trust Agreement or in the Lease Payments to the contrary notwithstanding.

Remedies shall be cumulative with respect to the Trust Administrator and the Owners. If any remedial action is discontinued or abandoned, the Trust Administrator and the Owners shall be restored to their former positions.

Section 13.03. Application of Funds. All moneys received by the Trust Administrator pursuant to any right given or action taken under the provisions of this Article XIII or of Article VIII of the Lease, shall be applied by the Trust Administrator in the order following upon presentation of the several Certificates and the stamping thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

(a) First, to the payment of the costs and expenses of the Trust Administrator hereunder (including, but not limited to, the costs and expenses of itself and its counsel) and, after such payment to the Trust Administrator, of the Certificate Owners in declaring such Event of Default, including reasonable compensation to its or their agents, attorneys and counsel, together with interest on all such amounts advanced as provided in the Lease;

(b) Second, to the payment of the whole amount then owing and unpaid with respect to the Certificates for principal and interest, with interest on the overdue principal and installments of interest at the rate or rates specified in the Certificates (but such interest on overdue installments of interest shall be paid only to the extent funds are available therefor following payment of principal and interest and interest on overdue principal, as aforesaid), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Certificates, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 13.04. Institution of Legal Proceedings. If one or more Events of Default shall happen and be continuing, the Trust Administrator in its discretion may, and upon the written request of the Owners of a majority in principal amount of the Certificates then Outstanding, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Owners of Certificates by a suit in equity or action at law, for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy as the Trust Administrator shall deem most effectual to enforce any of its rights or duties hereunder.

Section 13.05. Non-waiver. Nothing in this Article XIII or in any other provision of this Trust Agreement, or in the Certificates, shall affect or impair the obligation of the City, which is absolute and unconditional subject to Section 3.06 of the Lease, to pay or prepay the Lease Payments as provided in the Lease, or affect or impair the right of action, which is also absolute and unconditional, of the Certificate Owners to institute suit to enforce such payment. No delay or omission of the Trust Administrator or of any Owner of any of the Certificates to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, and every power and remedy given by this Article XIII to the Trust Administrator or to the Owners of Certificates may be exercised from time to time and as often as shall be deemed expedient by the Trust Administrator or the Certificate Owners.

Section 13.06. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trust Administrator or to the Certificate Owners is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise.

Section 13.07. Power of Trust Administrator to Control Proceedings. In the event that the Trust Administrator, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Certificates then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Certificates, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trust Administrator shall not, unless there no longer continues an Event of Default hereunder, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of at least a majority in principal amount of the Certificates Outstanding hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 13.08. Limitation on Certificate Owners' Right to Sue. No Owner of any Certificate shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Trust Agreement, unless

(a) such Owner shall have previously given to the Trust Administrator written notice of the occurrence of an Event of Default hereunder;

(b) the Owners of at least a majority in aggregate principal amount of all the Certificates then Outstanding make written request upon the Trust Administrator to

exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name;

(c) said Owners shall have tendered to the Trust Administrator reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and

(d) the Trust Administrator shall have refused or omitted to comply with such request for a period of 60 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trust Administrator.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Certificates of any remedy hereunder; it being understood and intended that no one or more Owners of Certificates shall have any right in any manner whatever by his or their action to enforce any right under this Trust Agreement, except in the manner herein provided, and that all proceedings at law or in equity with respect to an Event of Default shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Certificates.

The right of any Owner of any Certificates to receive payment of said Owner's proportionate interest in the Lease Payments as the same become due, or to institute suit for the enforcement of such payment, shall not be impaired or affected without the consent of such Owner, notwithstanding the foregoing provisions of this Section 13.08 or any other provision of this Trust Agreement.

Section 13.09. Parties Interested Herein. Nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Authority, the Trust Administrator and the Owners any right, remedy or claim under or by reason of this Trust Agreement, or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Trust Agreement contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Authority, the Trust Administrator and the Owners.

ARTICLE XIV MISCELLANEOUS

Section 14.01. Defeasance. The Outstanding Certificates may be paid and discharged in any one or more of the following ways:

(a) **Payment.** By paying or causing to be paid the principal with respect to and interest with respect to all Certificates Outstanding, as and when the same become due and payable;

(b) **Deposit.** By depositing with the Trust Administrator, in trust, at or before maturity, money which, together with the amounts then on deposit in the Lease Payment Fund and the Reserve Fund, is fully sufficient to pay all Certificates Outstanding, including all principal and interest;

(c) **Escrow.** By irrevocably depositing with the Trust Administrator or an escrow agent, in trust, cash or Defeasance Obligations in such amount as an independent nationally recognized certified public accountant shall determine in a written report delivered to the Trust Administrator or escrow agent will, together with the interest to accrue thereon and moneys then on deposit in the Lease Payment Fund and the Reserve Fund, if required, together with the interest to accrue thereon, be fully sufficient to pay and discharge all Certificates (including all principal and interest) at or before their respective maturity dates; or

(d) **Security Deposit.** By depositing with the Trust Administrator, under an escrow deposit and trust agreement, security for the payment of Lease Payments as more particularly described in Section 9.1 of the Lease, said security to be held by the Trust Administrator, as agent for City, and to be applied by the Trust Administrator to Lease Payments representing the obligation of the City under the Lease, as described in Section 9.1 of the Lease;

(e) **Effect.** Notwithstanding that any Certificates may not be surrendered for payment, all rights hereunder of the Owners of the Certificates and all obligations of the Authority, the Trust Administrator and the City under this Trust Agreement with respect to all Outstanding Certificates shall cease and terminate, except only the obligation of the Trust Administrator to pay or cause to be paid, from Lease Payments paid by or on behalf of the City from deposits pursuant to paragraphs (b) through (d) of this Section 14.01, to the Owners of the Certificates not so surrendered and paid all sums due with respect thereto, and in the event of deposits pursuant to paragraphs (b) through (d) of this Section 14.01, the Certificates shall continue to represent direct, undivided and fractional interests of the Owners thereof in Lease Payments under the Lease.

(f) **Payment Date.** All monies held or deposited pursuant to subsections (b) through (d), above, shall be used to pay and prepay Certificates on the earliest possible date.

(g) **Surplus Funds.** Any funds held by the Trust Administrator, at the time of one of the events described above in subsections (a) through (d) above, which are not required for the payment to be made to Owners, or for payments to be made to the Trust Administrator by the City (including attorneys' fees), shall be paid over to the City.

Section 14.08. Headings. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Trust Agreement. All references herein to “Articles,” “Sections,” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Trust Agreement; and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section or subdivision hereof.

Section 14.09. Limitation of Rights to Parties and Certificate Owners. Nothing in this Trust Agreement or in the Certificates expressed or implied is intended or shall be construed to give to any person other than the Authority, the City, the Trust Administrator and the Owners of the Certificates, any legal or equitable right, remedy or claim under or in respect of this Trust Agreement or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Authority, the City, the Trust Administrator and the Owners of the Certificates delivered hereunder.

Section 14.10. Waiver of Notice. Whenever in this Trust Agreement the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 14.11. Payments Due on Other than Business Day. If the date for making any payment as provided in this Trust Agreement is not a Business Day, such payment shall be made not later than the next preceding Business Day with the same force and effect as if done on the date provided therefore herein.

Section 14.12. Payment of Unclaimed Moneys. Notwithstanding any provisions of this Trust Agreement, any moneys held by the Trust Administrator in trust for the payment of the principal or interest due with respect to any Certificate and remaining unclaimed two years from the date of prepayment of such Certificate, or if the law shall have been changed and a City has notified the Trust Administrator of such change or the Trust Administrator notifies the City, then on the date 30 days prior to the then applicable escheat provision of State law, shall, on such date, be repaid to the City free from the trusts created by this Trust Agreement, and all liability of the Trust Administrator with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the City as aforesaid, the Trust Administrator may (at the cost and request of the City) first mail to the Owners to whom such amounts have not yet been paid, at the addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trust Administrator with respect to the amounts so payable and with respect to the provisions relating to the repayment to the City of the moneys held for the payment thereof. The Trust Administrator shall not be liable for any interest on funds held by it. The City shall not be liable for any interest on the sums paid to it pursuant to this Section 14.11 and shall not be regarded as a Trust Administrator of such money.

Section 14.13. Separability of Invalid Provisions. If any one or more of the provisions contained in this Trust Agreement or in the Certificates is for any reason held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision of this Trust Agreement, and this Trust Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The parties hereto hereby declare that they would have entered into this Trust Agreement and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the delivery of the

Certificates pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Trust Agreement may be held illegal, invalid or unenforceable.

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

FINANCE DIRECTOR OF THE CITY OF
WOODLAKE
as Trust Administrator

By _____
Finance Director

WOODLAKE PUBLIC FINANCING
AUTHORITY

Attest

By _____
Secretary

By _____
Executive Director

Attest

By _____
City Clerk

CITY OF WOODLAKE

By _____
City Administrator

EXHIBIT A

DEFINITIONS

“**Authority**” means the Woodlake Public Financing Authority.

“**Authority Representative**” means the Chairman, Vice Chairman, Executive Director, Treasurer, or any persons authorized to act on behalf of the Authority under or with respect to this Trust Agreement.

“**Business Day**” means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the state in which the Trust Administrator has its principal trust office are authorized or obligated by law or executive order to be closed.

“**Certificate Register**” means the registration books relating to the Certificates maintained by the Trust Administrator in accordance with Section 2.12 of the Trust Agreement.

“**Certificate**” or “**Certificates**” means the \$3,000,000 aggregate principal amount of Lease Revenue Certificates of Participation, Series 2017, dated _____, 2017, executed and delivered pursuant to this Trust Agreement.

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

“**City Council**” means the City Council of the City, as the legislative body of the City.

“**City Representative**” means the Mayor or Vice Mayor, the City Administrator, the Finance Director, the City Clerk, the City Attorney, or any other official of the City authorized by the Council to act for the City.

“**Closing Date**” means the date upon which there is a physical delivery of the Certificate in exchange for the amount representing the purchase price of all or an advance of a portion of the purchase price of the Certificate by the Original Purchaser.

“**Construction Costs**” means the costs of the Project.

“**Construction Fund**” means the fund of that name established pursuant to Article III of the Trust Agreement and held by the Trust Administrator.

“**Debt Service**” means the scheduled amount of interest and amortization of principal payable with respect to the Certificate during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning or during such period.

“**Defeasance Obligations**” means (a) cash, or (b) non-callable Federal Securities.

“**Delivery Costs**” means all items of expense directly or indirectly payable by or reimbursable to the City or the Authority relating to the refinancing and financing of the Project from the proceeds of the Certificates, including but not limited to filing and recording costs,

settlement costs, printing costs, reproduction and binding costs, initial fees and charges and first year's administration fee of the Trust Administrator, Trust Administrator's counsel fees and expenses, financing discounts, legal fees and charges, financial and other professional consultant fees, costs of rating agencies or credit ratings, fees for execution, transportation and safekeeping of the Certificates, travel expenses and charges and fees in connection with the foregoing.

"Denomination Amount" means the minimum denomination of each Certificate which is \$1,000.

"Event of Default" means an event of default under Section 8.1 of the Lease.

"Fair Market Value" means for purposes of valuing the Permitted Investments, the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Tax Code) and, otherwise, the term "fair market value" means the acquisitions price in a bona fide arm's length transaction (as referenced above) if

(i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code,

(ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code,

(iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or

(iv) any commingled investment fund in which the City and related parties do not own more than a 10% beneficial interest if the return paid by such fund is without regard to the source of investment.

The Trust Administrator shall have no duty in connection with the determination of Fair Market Value other than to follow the investment directions of a City Representative in any written directions of a City Representative.

"Federal Securities" means direct general obligations of (including obligations issued or held in book entry form on the books of the Department of the Treasury) the United States of America, or obligations the timely payment of principal of and interest on which are guaranteed by, the United States of America.

"Fiscal Year" means any period of 12 consecutive months established by the City as its fiscal year and shall initially mean the period commencing July 1 of one year and ending on June 30 of the following year.

"Government" means the United States of America, acting through the Rural Housing Service (or successor agency, bureau or division) of the United States Department of Agriculture.

“Independent Counsel” means an attorney or a firm of attorneys duly admitted to the practice of law before the highest court of the state in which he or such firm maintains an office and who is not an employee of the Authority, the Trust Administrator or the City.

“Insurance and Condemnation Fund” means the fund by that name established pursuant to Article VII of the Trust Agreement and held by the Trust Administrator.

“Interest Payment Date” means May 1 and November 1 of each year, commencing May 1, 2018.

“Interest Rate” means the rate of interest to be paid on the Certificates which is 3.750% per annum.

“Lease” means the Lease Agreement dated as of _____ 1, 2017, by and between the Authority and the City, and any duly authorized and executed amendment or supplement thereto.

“Lease Payment” means any payment required to be paid by the City to the Authority pursuant to Section 4.4 of the Lease.

“Lease Payment Date” means each Interest Payment Date.

“Lease Payment Fund” means the fund designated “City of Woodlake Lease Payment Fund” established and held by the Trust Administrator pursuant to Article V of the Trust Agreement.

“Net Proceeds” means any insurance proceeds or condemnation award paid with respect to the Site and Facilities, remaining after payment therefrom of all expenses incurred in the collection thereof.

“Original Purchaser” means the Government as the first purchaser of the Certificates upon their delivery by the Trust Administrator on the Closing Date.

“Outstanding,” when used as of any particular time with respect to the Certificates, means (subject to the provisions of Section 10.03 of the Trust Agreement) all Certificate theretofore executed and delivered by the Trust Administrator under the Trust Agreement except:

(a) Certificate theretofore canceled by the Trust Administrator or surrendered to the Trust Administrator for cancellation;

(b) Certificate for the payment or redemption of which funds or eligible securities in the necessary amount, including accrued interest thereon, shall have theretofore been deposited with the Trust Administrator (whether upon or prior to the maturity or redemption date of such Certificate), provided that, if such Certificate are to be redeemed prior to maturity, notice of such redemption shall have been given as provided in Section 4.03 of the Trust Agreement or provision satisfactory to the Trust Administrator shall have been made for the giving of such notice; and

(c) Certificate in lieu of or in exchange for which other Certificate shall have been executed and delivered by the Trust Administrator pursuant to Section 2.09 of the Trust Agreement.

“Owner” or **“Certificate Owner”** or **“Owner of a Certificate,”** or any similar term, means the person or entity in whose name a Certificate is registered.

“Permitted Investments” means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein, provided that the same are of appropriate maturity and acquired at Fair Market Value:

- (a) Federal Securities;
- (b) bonds, debentures or notes issued by any of the following: Banks for Cooperatives, Federal Land Banks or Federal National Mortgage Association (including participation certificate and Federal Farm Credit Banks Consolidated System Bonds);
- (c) bonds or obligations of the State of California which are rated “AA” or better by S&P;
- (d) interest bearing demand or time deposits (including certificates of deposit) in national banks, state banks, federal savings and loan associations or state chartered savings and loan associations, which have deposits insured by the Federal Deposit Insurance Corporation (the “FDIC”); provided, however, that the portion of such certificates of deposit in excess of the amount insured by the FDIC, if any, shall be with a provider whose short term S&P rating is “A-1+” or better;
- (e) money market funds consisting of Federal Securities, which are rated in the highest Rating Category by S&P; and
- (f) the Local Agency Investment Fund of the State of California.

“Prepayment” means any payment applied towards the prepayment of the Lease Payments, in whole or in part, pursuant to Article IX of the Lease.

“Principal Amount” means the aggregate principal amount of the Certificates which is not to exceed \$3,000,000.

“Principal Trust Office” means the office of the Trust Administrator at the offices of the City in Woodlake, California, or at such other address designated by the Trust Administrator by written notice filed with the City and the Authority.

“Proceeds” when used with reference to the Certificates, means the face amount of the Certificate, plus premium, if any, less original issue discount, if any.

“Project” means the acquisition, construction and improvement of certain facilities and improvements to be owned and operated by the City, consisting generally of a new community center to be located at 169 North Magnolia Street, Woodlake, California, and related publicly owned improvements.

“Rating Category” means, with respect to any Permitted Investment, one or more of the generic categories of rating by S&P applicable to such Permitted Investment, without regard to any refinement or gradation of such rating category by a plus or minus sign.

“Regular Record Date” means the close of business on the 15th day of the month preceding each Interest Payment Date, whether or not such 15th day is a Business Day.

“Reserve Fund” means the fund of that name established under Article VI of the Trust Agreement and held by the Trust Administrator.

“Reserve Requirement” means, for the purpose of determining the maximum size of the Reserve Fund, the least of:

- (a) 10% of the Principal Amount of the Certificate;
- (b) 125% of average annual Debt Service; or
- (c) maximum annual Debt Service.

“S&P” means Standard & Poor’s Ratings Group, a division of McGraw-Hill, Inc., New York, New York, or its successors.

“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 in the Lease or this Trust Agreement) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated under the Tax Code.

“Trust Administrator” means the Finance Director of the City, as the chief financial officer of the City, or any successor thereto, acting as Trust Administrator under the Trust Agreement.

“Trust Agreement” means this Trust Agreement dated as of _____ 1, 2017, by and among the Trust Administrator, the Authority and the City, together with any amendments or supplements thereto permitted to be made thereunder.

“Written Certificate” of the City means a written certificate signed in the name of the City by a City Representative as contemplated by and containing the elements required by Section 1.03 of this Trust Agreement.

EXHIBIT B

FORM OF CERTIFICATE OF PARTICIPATION

No. R-1

\$3,000,000

\$3,000,000
City of Woodlake
Lease Revenue Certificate of Participation, Series 2017
Evidencing the Direct, Undivided Fractional Interests of the Owners
Thereof in Lease Payments to be Made by the
CITY OF WOODLAKE
(Tulare County, California)
Under a Lease Agreement with the
WOODLAKE PUBLIC FINANCING AUTHORITY,
as Lessor

RATE OF INTEREST:
_____ %

DATED DATE:
_____, 2017

REGISTERED OWNER: UNITED STATES OF AMERICA, ACTING THROUGH RURAL HOUSING SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE

PRINCIPAL AMOUNT: ***THREE MILLION DOLLARS***

THIS IS TO CERTIFY THAT the Registered Owner identified above, or registered assigns, as the registered owner (the "Registered Owner") of this Certificate of Participation (the "Certificate") is the owner of a direct, undivided fractional interest in lease payments (the "Lease Payments") payable under the Lease Agreement dated as of _____ 1, 2017 (the "Lease") by and between the CITY OF WOODLAKE, a municipal corporation and general law city organized and existing under the laws of the State of California (the "City"), and the WOODLAKE PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the "Authority").

The Lease Payments and certain other rights and interests under the Lease have been assigned to the Finance Director of the City, as trust administrator (the "Trust Administrator"), having an office in the location described in the Trust Agreement referred to below.

The Registered Owner of this Certificate is entitled to receive, subject to the terms of the Lease Agreement, on the Maturity Dates identified below, or any earlier prepayment date, the Principal Amounts identified below representing a direct, undivided fractional share of the portion of the Lease Payments designated as Principal as follows:

Maturity Date (November 1)	Certificate Numbers	Principal Amount
-------------------------------	------------------------	---------------------

Total:	\$3,000,000
--------	-------------

and to receive on May 1, 2018, and semiannually thereafter on May 1 and November 1 of each year (each an "Interest Payment Date") until payment in full of said principal, the Registered Owner's direct, undivided fractional share of the Lease Payments designated as interest coming due during the interest period immediately preceding each of the Interest Payment Dates. Interest represented hereby shall be payable at the Rate of Interest of _____% per annum from the Interest Payment Date next preceding the date of execution of this Certificate unless (a) this Certificate is authenticated after the close of business on the 15th day of the month immediately preceding an Interest Payment Date (a "Record Date") and on or before such Interest Payment Date, in which event interest shall be payable from such Interest Payment Date, or (b) unless this Certificate is authenticated on or before April 15, 2018, in which event interest shall be payable from the Dated Date identified above. The Registered Owner's share of the portion of the Lease Payments designated as interest is the result of the multiplication of the share of the portion of the Lease Payments designated as principal as shown and endorsed on the attached Certificate of Advances of Payment from the United States of America, by the Rate of Interest per annum identified above, calculated on the basis of a 365-day year. Principal represented hereby is payable in lawful money of the United States of America upon surrender hereof at the Office of the Trust Administrator, and interest represented hereby is payable by wire transfer or check or draft mailed by first class mail by the Trust Administrator on each Interest Payment Date to the

Registered Owner at such Owner's address as it appears on the registration books of the Trust Administrator as of the preceding Record Date.

This Certificate is issued in lieu of and represents the Certificates above-mentioned, all of like, date, tenor and effect, but differing in amounts and maturities.

This Certificate has been executed and delivered by the Trust Administrator pursuant to the terms of a Trust Agreement dated as of _____, 2017 (the "Trust Agreement"), by and among the Trust Administrator, the Authority and the City. The City has certified that it is authorized to enter into the Lease and the Trust Agreement under the laws of the State of California, for the purpose of paying and reimbursing the payment of the costs of certain public capital improvements. Reference is hereby made to the Lease and the Trust Agreement (copies of which are on file at the Office of the Trust Administrator) for a description of the terms on which the Certificates are delivered, the rights thereunder of the owners of the Certificates, the rights, duties and immunities of the Trust Administrator and the rights and obligations of the City under the Lease Agreement, to all of the provisions of the Lease and the Trust Agreement the Registered Owner of this Certificate, by acceptance hereof, assents and agrees.

The City is obligated under the Lease to pay the Lease Payments from any source of available funds. Under the Lease, the City covenants to take such action as may be necessary to include all Lease Payments coming due in each of its annual budgets during the term of the Lease and to make the necessary annual appropriations for all such Lease Payments. The obligation of the City to pay the Lease Payments does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Lease Payments does not constitute a debt of the City, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

The Certificate is subject to optional prepayment in whole, or in part among maturities in any manner as directed by the City and by lot within a maturity, on any Business Day, from prepayments of the Lease Payments made at the option of the City pursuant to the Lease Agreement, at a prepayment price equal to the aggregate principal components of the Lease Payments to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

The Certificate is subject to mandatory prepayment on any date, in whole, or in part, from unexpended proceeds of the Construction Fund established under the Trust Agreement and from the net proceeds of insurance or eminent domain proceedings, in either case deposited with the Trust Administrator, which are credited towards the prepayment of the Lease Payments pursuant to the Lease, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

As provided in the Trust Agreement, notice of prepayment shall be mailed by the Trust Administrator by first class mail, postage prepaid, not less than 30 nor more than 60 days before the prepayment date, to the Registered Owner of the Certificates, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for prepayment or the cessation of accrual of interest represented thereby. If this Certificate is called for prepayment and payment is duly provided therefor as specified in the Trust Agreement, interest represented hereby shall cease to accrue from and after the date fixed for prepayment.

This Certificate is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Office of the Trust Administrator, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the Trust Agreement and upon surrender and cancellation of this Certificate. Upon such transfer a new Certificate or Certificates, of authorized denomination or denominations, representing the same aggregate principal amount and representing the same rate of interest and maturity date, will be delivered to the transferee in exchange herefor. The City, the Authority and the Trust Administrator may treat the Registered Owner hereof as the absolute owner hereof for all purposes, whether or not this Certificate is overdue, and the City, the Authority and the Trust Administrator shall not be affected by any notice to the contrary.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended by the parties thereto with the written consent of the owners of a majority in aggregate principal amount of the Certificates then outstanding, and may be amended without such consent under certain circumstances; provided that no such amendment shall extend the fixed maturity of any Certificate or reduce the interest or principal represented thereby, without the express consent of the owner of such Certificate.

The Trust Administrator has no obligation or liability to the registered owners of the Certificates to make payments of principal, or interest with respect to the Certificates except from amounts on deposit for such purposes with the Trust Administrator. The Trust Administrator's sole obligations are to administer for the benefit of the registered owners of the Certificates the various funds and accounts established under the Trust Agreement and to perform the other duties expressly imposed upon it under the Trust Agreement.

The City has certified, recited and declared that all things, conditions and acts required by the laws of the State of California, the Lease and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of the Certificates, do exist, have happened and have been performed in due time, form and manner as required by law.

This Certificate is given as evidence of a loan to the City made by the United States of America, acting through Rural Housing Service, United States Department of Agriculture, pursuant to the Consolidated Farm and Rural Development Act, and shall be subject to the present regulations of the Rural Housing Service or any successor agency thereto and to its future regulations not inconsistent with the express provisions hereof.

IN WITNESS WHEREOF, this Certificate has been executed and delivered by the Trust Administrator, acting pursuant to the Trust Agreement.

Executed as of the Dated Date first written above.

TRUST ADMINISTRATOR

By: _____
Finance Director
City of Woodlake

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face hereof, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT MIN ACT ____ Custodian

TEN ENT -- as tenants by the
Entireties

(Cust) ____ (Minor) ____
under Uniform Gifts to Minors

JT TEN -- as joint tenants with
____ right of survivorship
____ and not as tenants in
____ common

Act _____
(State)

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within registered Certificate and hereby irrevocably constitute(s) and appoint(s) _____
_____ attorney, to transfer the same on the registration books of
the Trust Administrator with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor.

Note: The signature(s) on this Assignment must correspond with the name (s) as written on the face of the within Certificate in every particular, without alteration or enlargement or any change whatsoever.

Certificate of Advances of Payment from United States of America, acting through Rural
Housing Service, United States Department of Agriculture

The following advances have been paid to and received by the City in the amount and on the date(s) set forth below, as evidenced by the Trust Administrator's signature set forth below, as evidenced by said Trust Administrator's signature set forth opposite "Date of Advance" and "Amount of Advance."

<u>Date of Advance</u>	<u>Amount of Advance</u>	<u>Signature of the Trust Administrator</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Total principal sum of the within Certificate as advanced as of _____, 200_ is
\$_____.

Record of Prepayment in Advance of Maturity
of Certificates Represented by this Certificate

The Record of prepayment in advance of maturity on the registered Certificate shall be substantially as follows:

<u>Amount</u>	<u>Date</u>
_____	_____
_____	_____
_____	_____

EXHIBIT C

**\$3,000,000
City of Woodlake
Lease Revenue Certificates of Participation
Series 2017**

**WRITTEN REQUISITION NO. ___ FOR
DISBURSEMENT FROM CONSTRUCTION FUND**

The undersigned hereby states and certifies that:

1. the undersigned is the _____ of the City of Woodlake, a municipal corporation and general law city organized and existing under the laws of the State of California (the "City"), and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;
2. the undersigned is a duly designated "City Representative", as such term is defined in that certain Trust Agreement dated as of _____ 1, 2017 (the "Trust Agreement"), by and among the Finance Director of the City of Woodlake, as trust administrator (the "Trust Administrator"), the Woodlake Public Financing Authority (the "Authority") and the City;
3. under Section 3.02 of the Trust Agreement, the Trust Administrator is hereby requested to disburse this date, from the Construction Fund established under the Trust Agreement, to the payees set forth on Attachment I attached hereto and by this reference incorporated herein, at the addresses identified thereon, the amount set forth opposite such payee for payment of Construction Costs or Delivery Costs;
4. the amounts to be disbursed constitute Construction Costs or Delivery Costs, that said amounts are required to be disbursed pursuant to a contract entered into therefor by or on behalf of the Authority or the City, or were necessarily and reasonably incurred, and that said amounts are not being paid in advance of the time, if any, fixed for payment;
5. no amount set forth in this requisition was included in any requisition requesting disbursement previously filed with the Trust Administrator pursuant to Section 3.02 of the Trust Agreement;
6. insofar as such requisition relates to payment for work, materials, equipment or supplies, such work was actually performed, or such materials, equipment or supplies were actually installed in furtherance of the construction of the Project or delivered to the appropriate site for such purpose, or delivered for storage or fabrication at a place approved by the City; and
7. if such requisition relates to payment to a contractor, that no liens have been imposed on the Project as a result of said construction except liens that have not yet ripened or that would attach by operation of law; and
8. any capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Trust Agreement.

Dated: _____, 20__

CITY OF WOODLAKE

By: _____
Title: _____

ATTACHMENT I

Payee Name and Address

Purpose of Obligation

Amount

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAKE
AUTHORIZING A LEASE/LEASEBACK FINANCING AND THE
EXECUTION AND DELIVERY OF CERTIFICATES OF PARTICIPATION
TO FINANCE COMMUNITY CENTER PROJECT AND APPROVING
RELATED DOCUMENTS AND ACTIONS**

RESOLVED, by the City Council (the "Council") of the City of Woodlake (the "City"), that:

WHEREAS, the City, working together with the Woodlake Public Financing Authority (the "Authority"), proposes to finance the acquisition, construction and improvement of a new community center to be located at 169 North Magnolia Street (the "Project"), and it is in the public interest and for the public benefit that the City enter into a lease/leaseback financing with the Authority, and certain other financing documents, in connection therewith; and

WHEREAS, the documents below specified have been filed with the City Clerk and the members of the Council, with the aid of its staff, have reviewed such documents;

NOW, THEREFORE, it is hereby **ORDERED and DETERMINED**, as follows:

Section 1. Findings and Determinations. The Council hereby finds and determines that the execution and delivery of the Certificates and the transactions related thereto will result in significant public benefits to the City within the contemplation of Government Code Section 6586.

Section 2. The Council hereby authorizes the execution and delivery of Lease Revenue Certificates of Participation, Series 2017, in an aggregate principal amount not to exceed \$3,000,000 (the "Certificates") pursuant to the Trust Agreement, as hereinafter defined.

Section 3. The below-enumerated documents, in the forms on file with the City Clerk, are hereby approved, and the Mayor or Vice Mayor, the City Administrator, the Finance Director, the City Clerk, and the City Attorney (each an "Authorized Officer") are hereby authorized and directed to execute those documents, with such changes, insertions and omissions as may be approved by an Authorized Officer, upon consultation with bond counsel, and the City Clerk is hereby authorized and directed to attest to such official's signature:

(a) the Site and Facilities Lease by and between the City, as lessor, and the Authority, as lessee, relating to the Project; and

(b) the Lease Agreement by and between the Authority, as lessor, and the City, as lessee, relating to the Project; and

(c) the Trust Agreement by and among the Authority, the City and the City Finance Director, as trust administrator, relating to the financing, and the execution and delivery of the Certificates.

Section 4. An offer to purchase the Certificates, submitted to the City by the United States of America, acting through the Rural Housing Service (or successor agency, bureau or division) of the United States Department of Agriculture, is hereby approved, and the City

Administrator is hereby authorized and directed to indicate the City's acceptance of such offer by the execution thereof, with such changes, insertions, and omissions as may be approved by such official, so long as the aggregate principal amount of the Certificates does not exceed \$3,000,000.

Section 5. Each Authorized Officer and all other appropriate officials of the City are hereby authorized and directed to execute such other agreements, documents and certificates, and to do any and all things and take any and all actions, as may be necessary to effect the purposes of this resolution and the financing herein authorized. All actions previously taken by an Authorized Officer in furtherance of the financing authorized by this resolution are hereby ratified and confirmed. Whenever in this resolution any officer of the City is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer or subsequently ratified by such officer as the person to act on his or her behalf if such officer is absent or unavailable.

Section 6. This Resolution shall take effect upon its adoption.

* * * * *

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the City Council of the City of Woodlake in regular meeting assembled on the _____ day of August, 2017, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Woodlake this __th day of August, 2017.

City Clerk of the
City of Woodlake

USDA

Form RD 1942-47

(Rev. 12-97)

LOAN RESOLUTION

(Public Bodies)

FORM APPROVED

OMB NO. 0575-0015

A RESOLUTION OF THE City CouncilOF THE Woodlake, City of

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

2016 Community Center

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Woodlake, City of(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

3,000,000.00

pursuant to the provisions of _____; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as _____ of the Woodlake, City of _____
 hereby certify that the City Council _____ of such Association is composed of
 _____ members, of whom _____, constituting a quorum, were present at a meeting thereof duly called and
 held on the _____ day of _____, _____; and that the foregoing resolution was adopted at such meeting
 by the vote shown above. I further certify that as of _____, the date of closing of the loan from the Government, said resolution
 remains in effect and has not been rescinded or amended in any way.

Dated, this _____ day of _____, _____.

 Title _____

City of Woodlake

AGENDA ITEM V-F

August 28, 2017

Prepared by Jason Waters, City Staff

SUBJECT:

Action: Adoption of Resolution: Award the Chlorination, SCADA, and Sand Separator Project to the Lowest Responsible Bidder Brough Construction

BACKGROUND:

On August 24, 2015, the City Council of the City of Woodlake authorized staff to go out for bid for a to complete the City of Woodlake Water System Upgrade Project. The City has received funding from USDA to improve the water system in Woodlake and Wells Tract.

DISCUSSION:

The City of Woodlake released an RFQ to find a firm that could install chlorination units, sand separators and a SCADA system for Woodlake's water system. The following firms submitted a proposal to provide the services:

- Brough Construction
- JT2 – Todd Companies

The proposed cost for each firm is listed below:

<u>Bidder</u>	<u>Total Bid</u>
Brough Const.	577,590
JT2 - Todd Co.	583,000

Based on the proposals, it was determined that Brough Construction submitted the lowest responsible bid for the project.

RECOMMENDATIONS:

Staff recommends that Council award the Chlorination, SCADA, and Sand Separator Project to Brough Construction.

FISCAL IMPACT:

There is no fiscal impact to the City of Woodlake General Fund. The project will be funded via a USDA grant and loan that will be repaid via the City's Water Fund.

ATTACHMENTS:

1. Resolution: Award the Chlorination, SCADA, and Sand Separator Project to the Lowest Responsible Bidder Brough Construction
2. Attachment No. 1 – Bid Recommendation, Chlorination, SCADA, and Sand Separation Project

BEFORE THE CITY COUNCIL
OF THE CITY OF WOODLAKE
COUNTY OF TULARE
STATE OF CALIFORNIA

In the matter of:

AWARD THE CHLORINATION, SCADA, SAND) Resolution No.
SEPARATOR PROJECT TO THE LOWEST)
RESPONSIBLE BIDDER BROUGH CONSTRUCTION)

Councilmember., offered the following resolution and moved its adoption. Award the Chlorination, SCADA, and Sand Separator Project to the Lowest Responsible Bidder Brough Construction.

WHEREAS, the City has received funding from USDA to improve the water system in Woodlake and Wells Tract; and,

WHEREAS, the City has received authorization from USDA to begin the improvement projects; and,

WHEREAS, the City will need to hire a qualified firm to install chlorinators, SCADA, and sand separators in the city.

WHEREAS, on August 28, 2017, the City Council of the City of Woodlake authorized staff to procure installation services for chlorination, SCADA, and sand separators; and

NOW, THEREFORE, THE CITY OF WOODLAKE DOES RESOLVE to award the Chlorination, SCADA, and Sand Separator Project to the Lowest Responsible Bidder Brough Construction.

The foregoing resolution was adopted upon a motion of Councilmember., and seconded by Councilmember, and carried by the following vote at the City Council meeting held on August 28, 2017.

AYES:
NOES:
ABSTAIN:
ABSENT:

Rudy Mendoza, Mayor

ATTEST:

Irene Zacarias, City Clerk

August 25, 2017

City Council
City of Woodlake
350 No. Valencia Blvd.
Woodlake, California 93286

Attention: Ramon Lara, City Administrator

Re: Bid Recommendation, Chlorination, SCADA, and Sand Separator Project

The low bid received for the subject project was \$577,590, submitted by Brough Construction, Inc.

The only other bid received was submitted by Todd Companies for the amount of \$583,000.

We have reviewed the bid package for Brough Construction, Inc., and find it to be complete and responsive. The Contractor holds a valid and current license and is registered with the DIR. We are familiar with their work and, pending approval of the Bid Award package by USDA as the funding agency, we recommend that the Council award the project to the lowest responsible bidder, Brough Construction, Inc., in the amount of \$577,590.

Sincerely,



Monique C. Mello, P.E.
City Engineer

W150150
MCM/wbe

City of Woodlake

AGENDA ITEM V-G

August 28, 2017

Prepared by Emmanuel Llamas, City Staff

SUBJECT:

Action: Adoption of Resolution: Approve the Abatement of a Public Nuisance at 472 Olive Ln.

BACKGROUND:

On October 6, 2016 code enforcement staff inspected the property at 472 Olive Ln., (APN# 061-123-006-000) in the City of Woodlake, and noticed the abandoned home with boarded windows, overgrowth of weeds, and overall poor condition of exterior materials. Code Enforcement checked the utility records and learned the dwelling had not had City utility services turned on since December 31st, 2013. Code Enforcement proceeded to place ‘Danger – Building is deemed unsafe for human occupancy’ notices on all four walls of the dwelling. On this same day, Code Enforcement staff sent via regular and certified mail a notice of public nuisance to the owner of the property Dolores Jimenez. The notice letter of public nuisance gives the property owner 30 days to abate the substandard property, or at least establish a feasible plan to work cooperatively to improve the property on an agreed and diligent timeline. This notice letter established the first action for abatement in accordance with California Health and Safety Code 17980.

On October 25, 2016, the property owner Dolores Jimenez came into City Hall acknowledging the notice and agreed to a compliance plan. Dolores informed us that she was living in the Fresno area, and that the dwelling at 472 Olive Ln. had been vacant for many years. Dolores asked her brother, Code Enforcement, and the City Building Inspector to enter the home and fully inspect the property for all the improvements needed in order to bring the dwelling up to code.

On October 28, 2016, her brother, Building Inspector, and Code Enforcement visited the home at 472 Olive Ln. and entered the premises to examine the interior issues. The list below outlines the issues found in violation of California Health and Safety Code Section 17920.3:

Findings at 472 Olvin Ln:

1.) Inadequate Sanitation:

- A. *Lack of required electrical lighting*
- B. *Dampness of habitable rooms*
- C. *Infestation of insects, vermin or rodents*
- D. *State of general dilapidation*
- E. *State of improper maintenance*

2.) Faculty Weather Protection:

- A. *Deteriorated or ineffective waterproofing of exterior walls, roof, foundations and floors. Including broken windows or doors*
- B. *Defective and lack of weather protection for exterior wall coverings including lack of paint or weathering*

3.) Hazardous Wiring:

- A. *Wiring exposed to weather*
- B. *Lack of approved receptacles*
- C. *Other improper wiring*

4.) Hazardous Mechanical Equipment

All mechanical equipment, including vents, except that which conformed to all applicable laws in effect at the time of installation and which has been maintained in good and safe condition.

5.) Fire Hazards:

- A. *Vegetation or grass overgrowth*
- B. *Combustible waste*

6.) Faulty Construction Materials:

- A. *Failure to maintain materials in good and safe condition*

7.) Hazardous or Unsanitary Premises:

- A. *Accumulation of weeds, vegetation and dead organic matter*
- B. *Accumulation of junk and debris*

8.) Inadequate Maintenance:

- A. *Portion of building unsafe due to inadequate maintenance*

9.) Inadequate Exits:

- A. *Lack of maintenance of exit facilities*
- B. *Lack of adequate exit facilities*

10.) Improper Occupancy:

- A. *Living*
- B. *Sleeping*
- C. *Cooking*
- D. *Dining purposes*

11.) Public Nuisance:

- A. *Maintenance of the premises in a condition detrimental to public health, safety or general welfare*
- B. *The existence of any building which are abandoned or boarded up or partially destroyed; or broken down or discarded furniture or conglomerations of toys in front yards; or overgrown green vegetation visible to the public; or garbage cans strewn over the yards and visible from the street; or unfurnished buildings, not under active construction; or dead trees, weeds and debris; or packing boxes stored in yards and visible to the public; or deliberate neglect of premises to spite neighbors or influence zone changes*

Her brother said he would relay the findings to his sister, and work with her to get a contractor in order to start gathering pricing cost in regard to what the rehab would cost them, and the time frame it would take to make the improvements.

A few months went by without any updates from Dolores in regards to the rehab of the dwelling. On February 13, 2017 Code Enforcement spoke with her brother, asking if he had any updates from his sister, since City Staff had not heard from her in several months. Her brother said he would speak with his sister the following day. On February 14, 2017, her brother said he was going to no longer be involved in helping his sister rehab the home, and referred all questions the City had moving forward to be directed only to his sister. On this same day Code Enforcement called Dolores, she answered but informed Code Enforcement that she was at work and would call back. Dolores did not call back. On February 24, 2017 Code Enforcement called Dolores again, she did not answer, and her phone number was not allowing the call to go through. On March 6, 2017 Code Enforcement called Dolores again and still did not successfully reach her.

Due to many months passing, Code Enforcement proceeded to restart the process outlined in California Health and Safety code 17980 and resent the public nuisance letter outlining the findings of the visit on October 28, 2016 of the property. This letter was sent to the property owner via regular and certified mail on April 17, 2017. The expiration date to appeal, abate, or establish some sort of feasible plan to correct the violation was on May 29, 2017.

There was never any contact made from the property owner. On July 20, 2017 code enforcement had an inspection warrant approved by a Tulare County Superior Judge in order to do an asbestos sample gathering of the dwelling for testing. Upon an informal bidding process Bovee Environmental Management Inc. was awarded the project with their lowest bid submittal of \$700. The asbestos report stated that there were zero asbestos found within the home.

DISCUSSION:

In accordance with California Health and Safety code 17980, 17980.8, 17980.10, 17982, 17970, 17920.3 and Woodlake Municipal code 8.28.010, 8.28.020, 8.28.030, 8.28.080, and 8.28.180, the property at 472 Olive Ln., also identified by APN #061-123-006-000 is a public nuisance and is detrimental to the public health, safety, proximal properties, and general welfare for the city of Woodlake's residents.

In order to proceed with the abatement process a resolution from City Council is necessary. The resolution will then be mailed to the property owner via certified mail, and will be placed on the property. If there is zero cooperation within 30 days of mailing to the property owner and posting on the property, then Code Enforcement will return to the Tulare Superior Court for a full abatement warrant of the property.

RECOMMENDATIONS:

Staff recommends that the City Council support and approve the abatement of a public nuisance at the property of 472 Olive Ln. also identified by APN# 061-123-006-000.

FISCAL IMPACT:

The City has and will cover all abatement cost from the City's General Fund, all cost that are eligible for reimbursement, if not reimbursed by the property owner will be reimbursed as a lien on the property.

ATTACHMENTS:

1. Resolution: Approve the Abatement of a Public Nuisance at 472 Olive Ln.
2. Photos provided under separate cover.

BEFORE THE CITY COUNCIL
OF THE CITY OF WOODLAKE
STATE OF CALIFORNIA

In the matter of:

APPROVAL OF THE ABATEMENT FOR) Resolution No.
THE EXISTENCE OF A PUBLIC NUISANCE)
LOCATED AT 472 OLIVE LN.)

WHEREAS, California Government Code section 17980 and 17980.10 empowers the City Council of the City of Woodlake to proclaim the existence and abatement of public nuisance within the City of Woodlake

WHEREAS, the City has followed all Municipal and State procedures in identifying and noticing a public nuisance at 472 Olive Ln. in accordance with California Government Code section 17980, and 17920.3 and Municipal Codes 8.28.020, 8.28.030, 8.28.040 and 8.28.060

WHEREAS, California Government Code section 17920.03 and Woodlake Municipal Code 8.28.020 outline the definition of a substandard dwelling and public nuisance both of which descriptions apply to 472 Olive Ln. abandoned home

WHEREAS, pursuant to an inspection warrant granted by the Superior Court of Tulare County on July 20th an asbestos sample and report was produced

WHEREAS, Bovee Enviromental Mangement, a certified asbestos organization, produced a report detailing there where zero traces of asbestos on any material attributed to the dwelling

WHEREAS, the cost of the asbestos report and further abatement of the dwelling would be recuperated as a lien on the property at 472 Olive Ln.

WHEREAS, California Government Code section 17980.11 permits the enforcement agency to record the

WHEREAS, the Governor’s proclamation called upon all Californians to reduce their water usage by 20 percent; and

WHEREAS, the Governor’s proclamation called upon local water suppliers and municipalities to implement water shortage contingency plans immediately in order to avoid or forestall outright restrictions that could become necessary later in the drought season; and

WHEREAS, the current drought has negatively impacted local business, especially agricultural based business, of which City residents largely depend on; and

WHEREAS, the City of Woodlake depends on ground water to provide potable water to its residents; and,

WHEREAS, the City’s domestic wells have seen a consistent drop in groundwater levels, requiring that wells be updated and replaced, causing an economic burden on the City; and

WHEREAS, persistent drought conditions have negatively impacted and continue to threaten the City’s economy; and

WHEREAS, conditions of drought exacerbate already perilous fire conditions in the City; and

WHEREAS, on January 15, 2014, the Secretary of the United States Department of Agriculture designated 27 California counties, [*including Alameda, Alpine, Amador, Calaveras, Contra Costa, El Dorado, Fresno, Inyo, Kings, Kern, Los Angeles, Madera, Mariposa, Merced, Mono, Monterey, Sacramento, San Benito, San Bernardino, San Joaquin, San Luis Obispo, Santa Clara, Santa Barbara, Stanislaus, Tulare, Tuolumne, and Ventura*] as natural disaster areas due to drought which makes farm operators in the designated counties eligible to be considered for certain assistance including emergency loans from the U.S. Farm Service Agency for production losses; and

WHEREAS, on January 17, 2014, the California State Resources Control Board notified all water rights holders in California that, in the coming months, if dry weather conditions persist, the State

Water Board will notify water right holders in critically dry watersheds of the requirement to limit or stop diversions of water under their water right, based upon the priority of their right; and **WHEREAS**, these conditions are likely to be beyond the services, equipment, personnel and fiscal resources of the City of Woodlake.

NOW, THEREFORE, BE IT RESOLVED AND PROCLAIMED by the City Council of the City of Woodlake that for reasons set forth herein, wishes to extend the proclamation of the existence of a local drought emergency in the City of Woodlake; and

BE IT FURTHER RESOLVED that federal and state agencies are requested to provide financial and other assistance to residents, water suppliers, water rights holders, ranchers, farmers, business owners and local governments in the City of Woodlake to help them mitigate the persistent drought conditions; and

BE IT FURTHER RESOLVED that the City's water users heed the Governor's request to reduce water usage by 20 percent.

BE IT FURTHER RESOLVED that water suppliers and municipalities in the City of Woodlake heed the Governor's request to implement water shortage contingency plans immediately in order to avoid or forestall outright restrictions that could become necessary later in the drought season.

BE IT FURTHER RESOLVED that all city water associates, power companies, other involved agencies, utilities, and individuals do whatever they can to equitably allocate the available water to mitigate to the extent possible the hardships resulting from the lack of water during this extended drought period of recovery.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that during the existence of this local drought emergency the powers, functions, and duties of the emergency organization of this City shall be those prescribed by state law, ordinances, and resolutions existing and passed in conjunction with this emergency, and that this emergency shall be deemed to continue to exist until the City Council of the City of Woodlake, State of California, proclaims its termination. Further, it is directed that this emergency proclamation be forwarded to the Director of the Governor's Office of Emergency Services and the Governor of the State of California.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that the City Council of the City of Woodlake hereby authorizes the undertaking of all extraordinary police and planning powers in response to this local drought emergency including but not limited to the ability to modify, amend, or issue planning codes, building or safety codes, environmental health codes, and such other codes, orders, and regulations as determined necessary for the duration of the emergency.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that public employees, officers, and governing bodies within the City are hereby granted full immunity to the extent allowed by law for actions undertaken in compliance with this proclamation.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that during the existence of this local drought emergency, the City Administrator may request the City Council to amend this proclamation of a local drought emergency and, if this Council is not in session to amend this proclamation as necessary and, if this proclamation is amended by the City Administrator the Council shall take action to ratify the amendment within 30 days thereafter or the amendment shall have no further force or effect.

BE IT FURTHER RESOLVED, PROCLAIMED AND ORDERED that this City Council will review the need for continuing the local drought emergency at least once every 30 days until this Council terminates the local drought emergency. [Note: Government Code section 8630(c) requires the governing board to review the local emergency **at least once every 30 days** until the governing body terminates the local emergency.] **EXTENDED** this 14th day of August 2017.

The foregoing resolution was adopted upon a motion of Councilmember _____, and seconded by Councilmember _____, and carried by the following vote at the City Council meeting held on August 28, 2017.

AYES:
NOES:
ABSTAIN
ABSENT:

Rudy Mendoza, Mayor

ATTEST:

Irene Zacarias, City Clerk