City of Woodland

300 First Street
Woodland, CA 95695

Meeting Agenda - Final

City Council

Tuesday, October 1, 2013 | **6:00 PM** | **Council Chambers**

JOINT REGULAR CITY COUNCIL/WOODLAND FINANCE AUTHORITY
OCTOBER 1, 2013
6:00 P.M.

A. CALL TO ORDER

B. ROLL CALL

C. PLEDGE OF ALLEGIANCE

D. COMMUNICATIONS-PUBLIC COMMENT

This is an opportunity for the public to speak to the Council on any item other than those listed for public hearing on this agenda. Speakers are requested to use the microphone in front of the Council and to begin by stating their name, whether they reside in Woodland and the name of the organization they represent if any. The Mayor may impose a time limit on any speaker depending on the number of people wanting to speak and time available for the rest of the agenda. In the event comments are related to an item scheduled on the agenda, speakers may be required to wait to make their comments until that item is considered.

E. COMMUNICATIONS-COUNCIL/STAFF STATEMENTS AND REQUESTS

This is an opportunity for the Council Members and Staff to make comments and announcements, to express concerns, or to request Council's consideration of any items a Council Member would like to have discussed at a future Council meeting.

13-266 SUBJECT: Long Range Calendar

Recommendation for Action

Staff recommends that the City Council receive the Long Range Calendar for informational purposes only.

Staff Contact

Ana Gonzalez, City Clerk - 530-661-5806, ana.gonzalez@cityofwoodland.org

Attachments: long range 100113.docx

F. PRESENTATIONS

1. 13-261 SUBJECT: Proclamation declaring October 13, 2013 as Annual Pastor's Appreciation Day

Recommendation for Action

Staff recommends that the City Council proclaim October 13, 2013 as Annual Pastor's Appreciation Day.

Staff Contact

Ana Gonzalez, City Clerk - 530-661-5806, ana.gonzalez@cityofwoodland.org

Attachments: Proclamation - Celebrating Pastors Appreciation Sunday.doc

2. 13-253 SUBJECT: Proclaim October 6-12, 2013 as Fire Prevention Week

Recommendation for Action

Staff recommends the City Council join the National Fire Protection Association in proclaiming October 6-12, 2013 as Fire Prevention Week.

Staff Contact

Bonnie Sylva, Administrative Secretary - 530-661-7865, bonnie.sylva@cityofwoodland.org

Attachments: Proclamation - Fire Prevention Week - 2013.doc

G. CONSENT CALENDAR

3. 13-222 SUBJECT: First Amendment to Lease Agreement between City of Woodland and Elizabeth Restaurant for Woodland Sports Park Concessions

Recommendation for Action

Staff recommends that the City Council authorize the City Manager to execute the first amendment to the lease agreement between City of Woodland and Elizabeth Restaurant for Woodland Sports Park Concessions for their use of the Concession trailer at the Woodland Sports Park.

Staff Contact

Kris Bain, Recreation Supervisor - 530-661-2002, kris.bain@cityofwoodland.org

Attachments: WOODLAND _ sports park concessions _ first amendment to elizabeth restauran
Original Concession Stand Agreement.pdf

4. 13-118 SUBJECT: Approve Amendment #2 to Agreement with Ferguson Group for Federal Representation and Advocacy Services for Flood Mitigation

Recommendation for Action
Staff recommends that the City Council approve contract amendment #2 to renew the Ferguson Group agreement for an additional 12 months, for an amount not to exceed $40,000.

Staff Contact
Lynn Johnson, Senior Management Analyst - (530) 661-5979, lynn.johnson@cityofwoodland.org

Attachments: AMENDMENT_2_Furguson_PROFESSIONAL_SERVICES.docx

5. 13-249 SUBJECT: Approval of a Professional Services Agreement with West Yost Associates for Aquifer Storage and Recovery (ASR) Investigation

Recommendation for Action
Staff recommends that City Council approve a contract with West Yost Associates in the amount of $68,000 to provide engineering consulting services for Aquifer Storage and Recovery feasibility studies.

Staff Contact
Tim Busch, Principal Engineer, Utility Engineering (530) 661-5963, tim.busch@cityofwoodland.org

6. 13-252 SUBJECT: Chromium VI Response to State of California Propose Regulations

Recommendation for Action
Staff requests Council authorization for the Mayor to sign the comment letter to the State of California on the proposed chromium VI regulations. The letter is in draft form and may be edited prior to submission on October 11, 2013 based on comments from the Association of California Water Agencies and coordination with nearby communities.

Staff Contact
Tim Busch PE, Principal Utilities Civil Engineer - 530 661-5963, tim.busch@cityofwoodland.org

Attachments: DRAFT Chromium VI comments to CDPH.doc

7. 13-256 SUBJECT: Approve I-5 & SR113 Interchange Replacement Cooperative Agreement, CIP 00-06

Recommendation for Action
Staff recommends City Council approve the proposed Cooperative Agreement amendment with Caltrans for the I-5/SR 113 Interchange Project and adopt Resolution No. _____ authorizing the City Manager to sign the agreement on behalf of the City.

Staff Contact
Brent Meyer, City Engineer - 530 661-5947, brent.meyer@cityofwoodland.org

Attachments: Resolution - I-5 SR 113 Coop Agmt CIP 00-06.doc
Proposed Cooperative Agreement Amendment for the I5 SR113 Project
Replacement Cooperative Agreement for the I-5SR 113 Project, 922008.pdf
Cooperative Agreement for the I-5/SR 113 Project, 9/16/2003

8. 13-264 SUBJECT: Side Letter of Agreement with Woodland City Employee Association Regarding Implementation for PERS Health Plan Coverage

Recommendation for Action
Staff recommends that the City Council approve Side Letter of Agreement with Woodland City Employee Association (WCEA) delaying the implementation of the 80%/20% cost share for PERS health plan coverage from January 2016 to January 2017.

Staff Contact
Sheila McShane, Human Resources Manager - 530-661-5807, Sheila.mcshane@cityofwoodland.org

Attachments: WCEA Side Letter Amending 80 20 Cost Share.doc

9. 13-268 SUBJECT: Resolution in Support of the Mayor's Task Force on Homeless Issues and Needs

Recommendation for Action
Staff recommends that the City Council adopt Resolution No. ____ supporting the efforts of the Mayor's Task Force on Homeless Issues and Needs to inform the public of appropriate, sensitive and compassionate response to homelessness.

Staff Contact
Paul Navazio, City Manager - (530)661-5800, paul.navazio@cityofwoodland.org

Attachments: Homelss Task Force Reso.doc

H. REPORTS OF THE CITY MANAGER

10. 13-251 SUBJECT: Receive Information on Police Department's Predictive Policing Program

Recommendation for Action
Staff recommends that the City Council receive information regarding predictive policing, and, if appropriate, provide comments and/or direction.

Staff Contact
Dan Bellini, Public Safety Chief - 661-7865, dan.bellini@cityofwoodland.org

11. 13-255 SUBJECT: $30,100,034 City of Woodland Community Facilities District 2004-1 (Spring Lake) Special Tax Refunding Bonds, Series 2013

Recommendation for Action
Staff recommends that the City Council adopt Resolution No. ____ (1) authorizing the execution and delivery of a Fiscal Agent Agreement, a Placement Agent Agreement, and an Escrow Agreement; (2) authorizing the issuance of refunding bonds; and (3) approving certain other actions related thereto.

Staff Contact
Kimberly McKinney, Finance Officer - (530) 661-5849, Kimberly.mckinney@cityofwoodland.org

Attachments:
FN - Fiscal Agent Agreement Woodland Spring Lake CFD - 2013 refunding (3).c
FN - Woodland Spring Lake 2013 STBS - Placement Agent Agreement (Piper Ja
FN - Woodland Spring Lake CFD - City Council Resolution 2013 Refunding Bo
FN - Woodland Spring Lake CFD - Escrow Agreement 2013 Refunding (3).doc

12. 13-196 SUBJECT: Community Service Awards Nominating Committee

Recommendation for Action
Staff recommends that the City Council appoint a new Nominating Committee at the October 1 regular City Council meeting for the 2014 Community Service Awards.

Staff Contact
Ana Gonzalez, City Clerk - (530) 661-5806, ana.gonzalez@cityofwoodland.org

I. ADJOURN

I declare under penalty of perjury that the foregoing Agenda for the Joint Regular City Council/Woodland Finance Authority Regular Meeting of the City of Woodland scheduled for October 1, 2013 was posted on September 27, 2013 in the outside display case at City Hall, 300 First Street, Woodland, CA, and was available to the public during normal business hours.

____
Ana B. Gonzalez, City Clerk

Upon request, agendas and documents in the agenda packet will be made available in appropriate alternative formats to persons with a disability, as required by law. Any such request must be made in writing to the Office of the City Clerk of the City of Woodland. Requests will be valid for the calendar year in which the request is received, and must be renewed prior to January 1st. Persons needing disability-related modifications or accommodations in order to participate in public meetings, including persons requiring auxiliary aids or services, may request such modifications or accommodations by calling the Office of the City Clerk (530-661-5806) at least 48 hours prior to the meeting.

300 First Street
Woodland, CA 95695

Legislation Text

File #: 13-266, **Version:** 2

City of Woodland

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013
SUBJECT: Long Range Calendar

Recommendation for Action

Staff recommends that the City Council receive the Long Range Calendar for informational purposes only.

Staff Contact

Ana Gonzalez, City Clerk - 530-661-5806, ana.gonzalez@cityofwoodland.org

Background

This calendar is being provided for planning purposes only and is intended to keep the Council apprised of upcoming agenda items and better plan for upcoming Council meetings.

Prepared by: Ana Gonzalez
City Clerk

Reviewed by: Paul Navazio
City Manager

Paul Navazio
City Manager

Attachment

COUNCIL LONG RANGE CALENDAR
Items subject to removal and/or rescheduling

Tuesday, October 15, 2013	Reports due 10/1	Regular Meeting

General Plan Update-Early workshop (5 – 7PM) on growth projections; proposed land-use scenarios

CLOSED SESSION
Parkside

PRESENTATION
Proclamation declaring October 20-26, 2013 as “Freedom from Workplace Bullies Week”
Parks & Recreation Annual Update

CONSENT
Community Development Department’s Quarterly Status Report
Approval of Final Maps, Subdiv. Maps & Reimbursement Agreements for Sub Divisions 5029 & 5030
Recycling Market Development Zone Resolution
Building Plan Check Budget Augmentation
Lasher Sewer Connection Deferral Agreement
Yolo County Visitors Bureau MOU
Final Acceptance of Regional Water Treatment Facilities Site Fill, CIP 08-07

PUBLIC HEARING
Housing Element Adoption
PERS Resolution

REGULAR
State Theater Exclusive Negotiating Agreement
Public Information/Communications Plan
Drying Ponds Lease Agreement

Tuesday, November 5, 2013	Reports due 10/22	Regular Meeting

PRESENTATIONS
Proclamation to declare November 1, 2013 Extra Mile Day

CONSENT

Ashley Gate Rehabilitation CIP 14-12, Award Contract
Final Acceptance and Notice of Completion for the Pavement Maintenance Project CIP 12-10

PUBLIC HEARING

Proposed Sewer Rate Adjustments
2014 Building Code Adoption

REGULAR CALENDAR

FY 13/14 1st Quarter Budget Update
CVRA Committee Report

Tuesday, November 19, 2013	**Reports due 11/5**	**Regular Meeting**

Consideration of Options for a Ballot Measure to Replace Measure V

FUTURE AGENDA ITEMS – DATE TO BE DETERMINED:

Regional Park Site Analysis Status Report – **TBD**
Weed Abatement Ordinance
Verizon Cell Tower Communication License Agreement
Minor Amendments to Waste Management franchise agreement
New water conservation ordinance
County food waste composting proposal
Council District Elections – Recommendation from CAC on District Boundaries

FUTURE STUDY SESSIONS (TBD):

City Council Goals/Progress Report
Street/Sidewalk Annual Status Report
Climate Action Plan
Update Economic Development Strategic Plan
Street/Road Maintenance

Legislation Text

File #: 13-261, Version: 1

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013
SUBJECT: Proclamation declaring October 13, 2013 as Annual Pastor's Appreciation Day

Recommendation for Action

Staff recommends that the City Council proclaim October 13, 2013 as Annual Pastor's Appreciation Day.

Staff Contact

Ana Gonzalez, City Clerk - 530-661-5806, ana.gonzalez@cityofwoodland.org

Background

The City Council has been asked to adopt a proclamation declaring October 13, 2013 as Annual Pastor's Appreciation Day.

Several greater Woodland area churches are combining for a historic Citywide Night of Worship on Sunday evening, October 13th. This night of song and worship will take place from 6:00PM to 8:00PM in the Pioneer High School Theater, which is located at 1400 Pioneer Avenue in Woodland. The event will feature 40 worship musicians and praise leaders from 12 area churches.

October 13th is also National Pastors Appreciation Day and a brief ceremony of recognition and proclamation presentation will be held in conjunction with the worship service.

Conclusion

Staff recommends that the City Council proclaim October 13, 2013 as Annual Pastor's Appreciation Day.

Prepared by: Ana Gonzalez
City Clerk

Paul Navazio, City Manager

City of Woodland

PROCLAMATION
OCTOBER 13, 2013
ANNUAL PASTOR'S APPRECIATION DAY

WHEREAS, Woodland is most fortunate to have a very diverse community of religious faiths represented in Woodland and local communities throughout this great County; and

WHEREAS, the spiritual leaders of these various faiths provide tremendous comfort, hope, support, joy and individuals and families as they proceed through life, helping them to find God's direction for the road ahead; and

WHEREAS, through their teachings they clergy have inspired spiritual understanding and peace to persons from all walks of life and for generations reached out to nurture persons in need of refuge and support along life's journey; and

WHEREAS, great religious leaders have ministered to Yolo County's communities, actively promoting improved community relations among its people and personally demonstrating their steadfast commitment to social justice for all citizens of Woodland and Yolo County; and

WHEREAS, for each house of worship, its leader guides his flock, like the shepherd his sheep, through prayer as his own supplication to God for guidance and through the faithful prayers of those under his leadership; and

WHEREAS, we owe a depth of gratitude to those who faithfully serve God and His people as dedicated and honorable pastors to their communities, often neglecting their own personal needs to give us guidance and comfort, in good times and in trials; and

WHEREAS, in his letter to the church at Thessalonica, Paul instructed the people "to know them who labor among you, and are over you in the Lord, to esteem them very highly in love for their work and sake", such wise words having application to all faiths as it is incumbent upon all of us to acknowledge the great deeds and sacrifices of our pastors and express our deepest appreciation for their service.

NOW, THEREFORE, BE IT RESOLVED by the Woodland City Council that the members of this body commend Woodland's and Yolo County's clergy for their community leadership and recognize Sunday, October 13, 2013 as the annual Pastors Appreciation Day in Woodland, California.

Marlin H. Skip, Mayor

Tom Stallard, Vice Mayor

William L. Marble, Council Member

Jim Hilliard, Council Member

Sean Denny, Council Member

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013
SUBJECT: Proclaim October 6-12, 2013 as Fire Prevention Week

Recommendation for Action

Staff recommends the City Council join the National Fire Protection Association in proclaiming October 6-12, 2013 as Fire Prevention Week.

Staff Contact

Bonnie Sylva, Administrative Secretary - 530-661-7865, bonnie.sylva@cityofwoodland.org

Report in Brief

Fire Prevention Week is dedicated to raising awareness of the dangers of fire and how to prevent it. The City Council has annually recognized Fire Prevention Week in Woodland and the Fire Department has coordinated this recognition with community education and awareness activities. Staff recommends the City Council join the National Fire Protection Association (NFPA) in proclaiming October 6-12, 2013 as Fire Prevention Week and dedicate this year to raising public awareness of the value of using safe habits in the kitchen.

Background

The history of Fire Prevention Week has its roots in the Great Chicago Fire, which began on October 8, 1871, and lasted 27 hours. In the end, the Great Chicago Fire killed more than 250 people, left more than 100,000 people homeless, destroyed more than 17,400 structures and burned more than 2,000 acres.

This year's theme is Prevent Kitchen Fires . This week is the perfect time to inform our community and empower our citizens to have a hand in preventing kitchen fires and protecting their families with lifesaving technologies and planning.

Here are some shocking statistics gathered by NFPA:

- On average, seven people die in U.S. home fires per day.
- Unattended cooking was a factor in 34% of reported home cooking fires.
- Two of every five home fires start in the kitchen.
- Cooking is the leading cause of home fires and home fire injuries.
- Ranges accounted for 58% of home cooking fire incidents; and ovens accounted for 16%.
- Two-thirds of home cooking fires started with ignition of food or other cooking materials.

Discussion

The celebration of Fire Prevention Week has been a long standing tradition in our community. It gives Fire Department personnel the chance to introduce themselves to the citizens of our community in a casual learning environment. Through this interaction, members of the Fire Department educate youth, teachers, and parents about the importance of fire safety and fire prevention.

Again this year, we will be implementing the First Grade Program into our Public Education schedule. The Fire Department uses this program in conjunction with fire station tours and community events to teach the public about fire safety.

Conclusion

Staff recommends the City Council join the National Fire Protection Association in proclaiming October 6-12, 2013, as Fire Prevention Week and dedicate this year to raising public awareness of the value of always utilizing important safety tips in order to Prevent Kitchen Fires.

Prepared by: Bonnie Sylva
Administrative Secretary

Reviewed by: Dan Bellini
Public Safety Chief

Paul Navazio
City Manager

Attachment: Proclamation for 2013 Fire Prevention Week

City of Woodland

PROCLAMATION

Fire Prevention Week – October 6 – 12, 2013

WHEREAS, the Fire Department celebrates the annual Fire Prevention Week in Woodland during October to ensure the safety and security of all those residing in and visiting our community; and

WHEREAS, fire is a serious public safety concern both locally and nationally. Fire Departments responded to more than 157,000 cooking-related fires between 2007-2011, resulting in 400 deaths, 5,080 injuries and more than $850 million in damage. Two of every five home fires start in kitchens; and

WHEREAS, residents who have implemented fire safety in their kitchens and planned and practiced a home fire escape plan are more prepared and will therefore be more likely to survive a fire; and

WHEREAS, the Fire Prevention Week 2013 theme, "**Prevent Kitchen Fires**" effectively serves to remind us to develop and practice kitchen and cooking safety and to have a home fire escape plan during Fire Prevention Week and year round; and

WHEREAS, the mission of the Woodland Fire Department is dedicated to reducing the occurrence of home fires and home fire injuries through prevention and protection education. Through these measures, residents are able to take personal steps to increase their safety from fire, especially in their homes.

NOW, THEREFORE, the City Council of the City of Woodland does hereby proclaim the week of October 6 through 12, 2013 as Fire Prevention Week in Woodland, and calls upon all citizens and civic organizations in Woodland to apply safety measures in their kitchens, to practice their home fire escape plan during Fire Prevention Week 2013, and to support the public safety activities and efforts of the Woodland Fire Department and other emergency services.

DATED: October 1, 2013

____

Marlin H. Davies, Mayor

Tom Stallard, Vice Mayor

William L. Marble, Council Member

Jim Hilliard, Council Member

Sean Denny, Council Member

Legislation Text

File #: 13-222, Version: 1

City of Woodland

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013

SUBJECT: First Amendment to Lease Agreement between City of Woodland and Elizabeth Restaurant for Woodland Sports Park Concessions

Recommendation for Action

Staff recommends that the City Council authorize the City Manager to execute the first amendment to the lease agreement between City of Woodland and Elizabeth Restaurant for Woodland Sports Park Concessions for their use of the Concession trailer at the Woodland Sports Park.

Staff Contact

Kris Bain, Recreation Supervisor - 530-661-2002, kris.bain@cityofwoodland.org

Fiscal Impact

Under the executed agreement, the City receives $12,600 per year for lease payments from Elizabeth's Restaurant for the use of the Sports Park Concession trailer. Under the proposed amendment, the City would receive $10,500 per year (a reduction of $2,100 per year) for lease payments from Elizabeth's Restaurant.

Background

The City of Woodland entered into a three year lease agreement with Elizabeth's Restaurant for the use of Concession trailer for the purpose of providing food and beverage services to patrons of the Woodland Sports Park on April 18, 2011. The agreement also includes the ability to extend the lease term for an agreed up term. The agreement included payments of $850 per month for the first year to $1,050 per month in 2013 for rent.

At the conclusion of years one and two, the City met with Elizabeth's Restaurant to discuss business operations. Concerns were brought forward due to the inability to generate sufficient revenue to cover monthly expenses during the months September through December. Field usage is significantly lower in the fall months than the remainder of the year. Thus the amount of money generated at the concession trailer is minimal in the later months of the year. Elizabeth's Restaurant requested a reduction in the monthly lease payment to cover operating expenses and generate additional revenue.

Discussion

Elizabeth's Restaurant has served Woodland Sports Park customers since 2008 for sports leagues and tournaments. Per the contract with the City, Elizabeth's Restaurant must operate the concession trailer 7 days per week, March through August, to best serve all users of the Woodland Sports Park. In the March 2013, the concession trailer was vandalized leaving Elizabeth's Restaurant to pay for the repair and replacement of the entire under carriage of the trailer, an expense totaling $2,500.

The City and Elizabeth's Restaurant have agreed on the following payment schedule through the remainder of the contract: September through December: $525/month, January through August: $1050/month. The City would like to continue the partnership and lease agreement with Elizabeth's Restaurant to provide food and beverage services at the Woodland Sports Park when the fields are being utilized.

The amendment to the contract also identifies a lease amount of $1,050 should the City and Contractor agree to extend the lease (the contract already provides the ability to extend the lease but only implies the payment amount.)

Conclusion

Staff recommends that the City Council authorize the City Manager to execute the first amendment to the lease agreement between City of Woodland and Elizabeth Restaurant for Woodland Sports Park Concessions for their use of the Concession trailer at the Woodland Sports Park.…

Prepared by: Kris Bain
Recreation Supervisor

Reviewed by: Christine Engel

Paul Navazio, City Manager

Enclosure: First Amendment to Sports Park Concession Use Agreement

FIRST AMENDMENT TO
LEASE AGREEMENT BETWEEN CITY OF WOODLAND
AND ELIZABETH RESTAURANT FOR WOODLAND
SPORTS PARK CONCESSIONS

THIS FIRST AMENDMENT TO LEASE AGREEMENT BETWEEN CITY OF WOODLAND AND ELIZABETH RESTAURANT FOR WOODLAND SPORTS PARK CONCESSIONS ("First Amendment") is entered into this ___day of October, 2013, by and between the CITY OF WOODLAND, a California municipal corporation ("City"), and MANUEL VALENZUELA, dba Elizabeth Restaurant ("Lessee"), on the terms and conditions set forth below. The City and Lessee are sometimes collectively referred to as the "Parties" in this First Amendment.

WHEREAS, the City is the owner and/or operator of an approximately fifteen (15) acre park site located behind the Woodland Community Senior Center at 2001 East Street in the City of Woodland, California, which is more commonly known as the "Woodland Sports Park;" and

WHEREAS, the City and Lessee entered into that certain lease agreement dated April 18, 2011, ("Agreement"), attached as Exhibit "A" and incorporated by reference, to allow Lessee to be the exclusive operator of a concession trailer and designated beer garden (referred to collectively as the "Premises"), owned by the City and located at Woodland Sports Park; and

WHEREAS, the term of the Agreement expires on April 17, 2014, and the Parties wish to enter into this First Amendment to make certain changes to, and extend the term of, the Agreement; and

WHEREAS, pursuant to Section 3.6 of the Agreement, the Parties have mutually reevaluated and agreed upon adjusted payment amounts and schedules for an extension of the Agreement.

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which the Parties hereby acknowledge, the Parties agree as follows:

Section 1. Incorporation of Recitals. The recitals and all defined terms set forth above are hereby incorporated into this First Amendment as though fully set forth herein.

Section 2. Amendment to Section 2 of the Agreement. As the Agreement is due to expire on April 17, 2014, Section 2 of the Agreement is amended to extend the term of the Agreement until April 30, 2015, unless earlier terminated pursuant to the provisions of the Agreement. The Parties may agree to extend the Agreement for three (3) additional one-year extensions which agreement shall be documented in a written amendment to this Agreement. The Parties shall determine whether to extend this Agreement by April 1st of each year. Such extension terms shall be subject to the rental payment schedule set forth in Section 3.3 unless otherwise agreed to by the Parties.

Section 3. Amendment to Section 3.3 of the Agreement. Pursuant to Section 3.6 of the Agreement, Section 3.3 of the Agreement, entitled "Rent" is hereby deleted and replaced in its entirety to read as follows:

3.3 Rent. Lessee shall pay to the City, on the first day of each calendar month during the term of the Agreement (as amended by this First Amendment), the amounts set forth in this Section 3.3 as compensation for the concession rights, for use of the Premises, and for associated reasonable electrical and water costs. Each payment shall be delivered to the City at the address listed in Section 19.1 of the Agreement, or at such other place as designated by written notice from the City. The payment amount for any partial calendar months during the term of this Agreement shall be prorated on a daily basis. The rental payments set forth herein shall be in addition to all other costs and expenses set forth in the Agreement.

3.3.1 For that period from September 1, 2013 to December 31, 2013, a monthly payment of Five Hundred Twenty Five Dollars ($525).

3.3.2 For that period from January 1, 2014 to August 31, 2014, a monthly payment of One Thousand Fifty Dollars ($1050).

3.3.3 For that period from September 1, 2014 to December 31, 2014, a monthly payment of Five Hundred Twenty Five Dollars ($525).

3.3.4 For that period from January 1, 2015 to August 31, 2015, a monthly payment of One Thousand Fifty Dollars ($1050).

3.3.5 For that period from September 1, 2015 to December 31, 2015, a monthly payment of Five Hundred Twenty Five Dollars ($525).

3.3.6 For that period from January 1, 2016 to August 31, 2016, a monthly payment of One Thousand Fifty Dollars ($1050).

3.3.7 For that period from September 1, 2016 to December 31, 2016, a monthly payment of Five Hundred Twenty Five Dollars ($525).

3.3.8 For that period from January 1, 2017 to April 30, 2017, a monthly payment of One Thousand Fifty Dollars ($1050).

3.3.9 In addition to the foregoing, Lessee shall pay to the City a monthly payment equal to twenty-five percent (25%) of the gross revenue generated from the sale of draft beer. Copies of the register tapes shall be submitted by Lessee with the payment to the Recreation office at the Community and Senior Center.

Section 4. **Amendment to Section 19.1.** Section 19.1 of the Agreement is hereby amended to change the address for Lessee as follows:

Manuel Valenzuela
dba Elizabeth Restaurant
208 Teton Place
Woodland, CA 95695

Section 5. **No Other Changes.** Except as amended by this First Amendment, all other terms and conditions in the Agreement shall remain unchanged and shall continue on in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this First Amendment to the Agreement effective on the day and year first written above.

CITY OF WOODLAND	LESSEE
By: ______________________________	By: ______________________________
Paul Navazio City Manager	Manuel Valenzuela dba Elizabeth Restaurant
Date Signed: _____________________	Date Signed: _________________________

Attest:

____
Ana Gonzalez
City Clerk

Approved as to Form:

____
Kara K. Ueda
Best Best & Krieger LLP
City Attorney

Exhibit “A”

[original agreement]

LEASE AGREEMENT
BETWEEN CITY OF WOODLAND
AND ELIZABETH RESTAURANT
FOR WOODLAND SPORTS PARK CONCESSIONS

THIS AGREEMENT is entered into as of the 18th day of April, 2011 ("**Effective Date**") by and between THE CITY OF WOODLAND, a California municipal corporation ("**City**") and Elizabeth Restaurant ("**Lessee**"). City and Lessee are sometimes hereinafter referred to collectively as the "**Parties**" and individually as a "**Party**."

RECITALS

A. City is the owner and/or operator of approximately fifteen (15) acre park site located behind the Woodland Community Senior Center at 2001 East Street in the City of Woodland, California, which is more commonly known as the "**Woodland Sports Park**."

B. Lessee desires to be the exclusive operator of a concession trailer and designated beer garden area (referred to collectively as the "**Premises**") owned by the City and located at Woodland Sports Park for the purpose of providing food and beverage services to patrons of the Woodland Sports Park.

NOW, THEREFORE, in consideration of the above facts and for the covenants and agreements contained herein, the Parties hereto agree as follows:

TERMS

1. **Agreement.** City hereby grants to Lessee an exclusive leasehold interest in the Premises and the concession rights for the sale of food, such as hamburgers and hot dogs, snack food, such as candies, ice cream, popcorn, peanuts, and confections of all kinds, and beverages, such as coffee and soda, all known hereinafter collectively as "**Concessions**." The Concessions shall be subject to the following restrictions:

1.1 No Concessions shall be dispensed in glass or metal containers.

1.2 No tobacco products, wine or other alcoholic beverage sale or disbursal, with the exception of beer pursuant to Section 1.4, shall be conducted on the Premises.

1.3 The City will specify certain Concessions that are prohibited at the Woodland Sports Park, such as sunflower seeds and chewing gum.

1.4 Draft beer will be sold by Lessee during hours of operation only as follows:

1.4.1 The City has set up a clearly designated beer garden area in the vicinity of the Premises for the consumption of draft beer.

1.4.2 Lessee shall, at its sole cost, provide sufficient security including, but not limited to, a security guard for the purpose of ensuring that persons who have purchased beer from Lessee are adhering to the rules and regulations of the beer garden. Security shall be present during all hours in which beer sold or disbursed by Lessee is available to and is being consumed by the public. Lessee shall be solely responsible for ensuring that there is sufficient security at all times and that such security is adequately enforcing any and all rules and regulations applicable to the beer garden.

1.4.3 Lessee shall, prior to the sale or disbursal of beer, obtain a valid permit from the City Parks and Recreation Department pursuant to Section 15-28 of the Woodland Municipal Code, as amended or renumbered from time to time. Lessee shall retain possession of the permit during all hours in which beer sold or disbursed by Lessee is available to and is being consumed by the public. Lessee shall post signage in and around the beer garden and the Premises notifying all persons in possession of alcoholic beverages that the beer garden is restricted to the consumption of beer obtained from Lessee and that no persons shall possess or consume beer outside the boundaries of the beer garden.

1.5 The City reserves the right in its sole and absolute discretion to make or enter into exclusive product marketing agreements, which agreements shall be binding on Lessee, and/or to reasonably restrict the sale of specific products.

1.6 This Agreement shall not inhibit or prevent City from authorizing other organizations to sell novelties (non-food items) at the Woodland Sports Park.

2. **Term**. The term of this Agreement shall begin on **April 18, 2011** and terminate on **April 17, 2014**, unless earlier terminated pursuant to the provisions contained herein. The Parties may extend this Agreement at any time by mutual written consent. During such extension, except as provided in Section 3, all terms and conditions of this Agreement shall remain in effect.

3. **Rental.**

3.1 Security Deposit. Lessee shall deposit with City the sum of Two Thousand Five Hundred Dollars ($2,500) ("**Security Deposit**") to secure Lessee's faithful performance of the terms, covenants and conditions of this Agreement. The deposit will be made according to the schedule below:

3.1.1 The amount of One Thousand Dollars due April 13, 2011.
3.1.2 The amount of One Thousand Dollars due May 1, 2011.

3.1.3 The amount of Five Hundred Dollars due June 1, 2011.

3.2 City's obligations with respect to the Security Deposit are solely that of creditor and not of trustee. City shall not be required to keep the Security Deposit separate from its general funds, and Lessee shall not be entitled to interest on the Security Deposit. City may use the Security Deposit, or any portion thereof, to cure a default or to compensate City for damages sustained by City resulting from Lessee's default or arising from Lessee's use of the Premises beyond normal wear and tear. If Lessee is not in default at the expiration or termination of this Agreement or if City has not used the Security Deposit for repairs, City shall return any unused portion of the Security Deposit to Lessee.

3.3 <u>Rent</u>. Lessee shall pay to City, on the first day of each calendar month during the term of this Agreement, the amounts set forth in this Section 3.3 as compensation for the concession rights, for the use of the Premises, and for associated reasonable electrical and water costs. Each payment shall be delivered to the City at the address listed in Section 19.1 or at such other place as designated by written notice from City. The payment amount for any partial calendar months during the term of this Agreement shall be prorated on a daily basis except for the initial payment for April 2011 which has been determined by both Parties. The rental payments set forth herein shall be in addition to all other costs and expenses set forth in this Agreement.

3.3.1 For that period from April 18, 2011 to April 30, 2011, the agreed-upon payment of Two Hundred Fifty Dollars ($250).

3.3.2 For that period from May 1, 2011 to March 31, 2012, a monthly payment of Eight Hundred Fifty Dollars ($850).

3.3.3 For that period from April 1, 2012 to March 31, 2013, a monthly payment of Nine Hundred Fifty Dollars ($950).

3.3.4 For that period from April 1, 2013 to March 31, 2014, a monthly payment of One Thousand Fifty Dollars ($1050).

3.3.5 For that period from April 1, 2014 to April 17, 2014, the prorated payment of Seven Hundred Thirty-Five Dollars ($595).

3.3.6 In addition to the foregoing, Lessee shall pay to City a monthly payment equal to twenty-five percent (25%) of the gross revenue generated from the sale of draft beer. Copies of the register tapes will be submitted with the payment to the Recreation office at the Community and Senior Center.

3.4 <u>Special Events</u>. Lessee shall pay to City an amount equal to ten percent (10%) of the gross revenue generated at special events, as described in

Section 4.2. Copies of the register tapes will be submitted with the payment to the Recreation office at the Community and Senior Center.

3.5 Penalties. If Lessee fails to deliver any payment(s) set forth above on or before the date specified, Lessee shall add ten percent (10%) of the unpaid amount, plus simple interest at a rate of one and a half percent (1.5%) per month, to the balance of the amount due from the date the payment(s) were due until the date the payment(s) are delivered to the City.

3.6 Extension of Agreement. Prior to approval of any extension of this Agreement pursuant to Section 2, the Parties shall mutually reevaluate and agree on a readjustment of the payment amount(s) and schedule(s) set forth herein.

4. **Hours of Operation.**

4.1 Regular Hours of Operation. Lessee shall operate the Premises from 4:00 p.m. to 10:00 p.m. Monday through Friday, 8:00 a.m. to 10:00 p.m. Saturday and Sunday, and during, as well as thirty (30) minutes prior to and following, all scheduled games, tournaments, and events at the Woodland Sports Park. To the extent practicable, the City shall provide a schedule to Lessee of the events scheduled for Woodland Sports Park at least one (1) month prior to the first event at which Lessee shall offer Concessions. The City shall forward changes to the scheduled events (additions or deletions) to the Lessee as soon as available, but no less than twenty-four (24) hours in advance of the scheduled event. All communications between the Parties pursuant to this Section 4.1 will be conducted via electronic mail for efficiency and for proper documentation.

4.2 Special Events. City may require Lessee to operate the Premises during certain special events and at other locations including, but not limited to, the 4th of July celebration at Woodland Senior High School. City shall notify Lessee via email at least thirty (30) days in advance of a special event of the required location and time(s) of operation of the Premises.

5. **Litter Pick-Up and Janitorial.** City, at its expense, shall provide garbage disposal facilities; including a metal dumpster with weekly scheduled pickups, for the Premises. Lessee will be responsible for litter pickup within a 100 feet radius of the Premises. Lessee shall be solely responsible for any costs incurred by the City in the collection and/or disposal of refuse that exceeds the garbage services provided by City pursuant to this Section 5 and shall pay the amount, in full, within ten (10) days of delivery of a bill for costs. The City will also provide receptacles for recyclable materials. The City encourages the Lessee to use recyclable materials and Lessee shall dispose of such materials in the appropriate receptacle. Lessee shall further comply with all applicable recycling and waste management policies, programs, laws and regulations applicable to the Premises and/or Woodland Sports Park.

6. **Maintenance.**

6.1 Ongoing Maintenance. Lessee shall be responsible for all repairs and upkeep on any and all equipment located within the Premises as well as the interior and exterior of the Premises. Lessee accepts the Premises in its current condition as of the Effective Date of this Agreement and shall maintain the Premises in the same or better condition during the term of this Agreement. Accordingly, Lessee shall, at its sole expense, be responsible for improvements (in accordance with Section 8), maintenance, repairs and daily cleaning of the Premises. Any damage to the Premises resulting or arising from the negligent operation by Lessee shall be repaired by the City at Lessee's expense.

6.1.1 Deep-cleaning. Lessee shall thoroughly and completely clean the Premises approximately once every six (6) months (each a "**Deep-cleaning**"). Deep-cleanings shall be scheduled by the City. The City may inspect the Premises after each Deep-cleaning as necessary to ensure compliance with this requirement.

6.2 Plumbing and Electrical Work. Lessee shall be solely responsible for any plumbing, electrical or mechanical repairs made to the Premises. The City shall in no way be obligated to pay for any plumbing, electrical or mechanical repairs made to the Premises without the prior written authorization of the City Parks and Recreation Director.

6.3 Storage. The City is not obligated to supply storage facilities or other facilities or equipment other than those available within the Premises.

6.4 Security. Lessee shall be solely responsible for the security of, and any costs associated with the repair or replacement of all equipment, supplies and materials located at and stored in the Premises.

7. **Improvements.**

7.1 Lessee shall not construct improvements to the Premises without the express written approval of the City Recreation Manager or designee. Such approval shall not be unreasonably withheld. A request to construct improvements to the Premises shall include a construction plan submitted to the City Recreation Manager or designee.

7.2 Construction of approved improvements shall both comply with City's construction standards and be subject to inspections by City staff. Approved improvements shall be constructed at Lessee's sole cost and expense. All such improvements shall become the property of City; provided, however, that Lessee may, upon termination of this Agreement, remove from the Premises all equipment belonging to and installed by

Lessee so long as such removal does not cause damage to or around the Premises or compromise the function of any existing City property.

8. **Additional Facilities.** Subject to City's prior written approval, Lessee may operate additional facilities including, without limitation, an expanded beverage service station and an additional facility for the preparation and/or service of Concessions at the Premises for no additional rental payment; provided, however, that Lessee may only hook up one (1) facility to the City's electrical and water services regardless of the number of facilities operated by Lessee at any time.

9. **Inspections**. The Premises shall be available at all times for safety inspections by authorized City representatives and other proper governmental authorities. Lessee expressly agrees to reasonably cooperate with any safety inspections and to comply with the findings of such inspections.

10. **Right to Repair and Maintain**. If City determines that a condition of vandalism, disrepair and/or improper maintenance exists on or in the Premises that is within Lessee's responsibilities as set forth in this Agreement, City shall notify Lessee of such condition. If such condition is not corrected as set forth below, City reserves the right to remedy the condition. In such instances, City shall contact Lessee prior to entry onto the Premises for repair and/or maintenance conducted pursuant to this Section 10.

10.1 Notification of Hazardous Conditions: If the City notifies Lessee of vandalism/disrepair which presents a hazardous condition, the condition shall be corrected within three (3) operating days, or five (5) business days, whichever is less. If the condition is not repaired within this time, City staff will cause the repairs to be made. In such instances, Lessee shall be billed for the City's labor and materials. It is expressly agreed by the parties that Lessee will pay for such repairs within ten (10) days of delivery.

10.2 Notification of Non-Hazardous Conditions: If City notifies Lessee of a vandalism/disrepair other than a hazardous condition, the condition shall be corrected within fifteen (15) business days. If the condition is not repaired within this time, City staff may cause the repairs to be made. In such instances, Lessee shall be billed for City's labor and materials. It is expressly agreed by the parties that Lessee will pay for such repairs within ten (10) days of delivery.

11. **Call Outs for City Staff Assistance**. When, in response to calls after normal work hours by either Lessee or the general public, City repairs or resolves a problem at the Premises, payment for this "call out" shall be as follows:

11.1 If, according to this Agreement, the item is within the maintenance responsibility of City, City will pay for the call out.

11.2 If, however, the service is within the maintenance responsibility of Lessee, City shall bill Lessee for the services rendered by City staff. Lessee shall pay such bills issued by City within ten (10) days of delivery.

12. **Premises Obligations**. In exchange for the use of the Premises, it is expressly agreed by the Parties that Lessee shall:

12.1 Keep the Premises open for business during all hours of operation as set forth in Section 4.

12.2 Provide a menu of foods which is both varied and economical for the public and follow safe food preparation practices to ensure the safety of the food products served to the public. City staff reserves the right to review the menu items and prohibit any items as specified in City policy (i.e., sunflower seeds are prohibited at the Woodland Sports Park).

12.3 Keep the Premises free of all waste or refuse matter.

12.4 Maintain, at its own expense, regular pest control service for the Premises.

12.5 Conduct a criminal history background check in accordance with California Penal Code section 11105.3 on each employee or volunteer prior to allowing that employee or volunteer to work in or around the Premises. No person who has been convicted for any offense listed in California Public Resources Code section 5164(a)(2) shall be employed by or allowed to volunteer for Lessee, except as permitted by City. Lessee may apply to City for a waiver to permit an employee or volunteer who has not passed a background check to perform work in or around the Premises. Granting of waivers shall be in City's sole discretion and on a case-by-case basis. City shall in no way be liable for any actions or omissions by Lessee's employees, agents or volunteers, whether such actions are within or outside the scope of this Agreement, or whether such employee, agent or volunteer has passed a background check or received a waiver by City. Lessee shall not perform any work under this Agreement until it has provided to City a certification stating under penalty of perjury that all of Lessee's employees and volunteers, with the exception of those for whom the City has granted a waiver, have passed the requisite background check set forth herein. Lessee will also provide the City with an updated staff list whenever staff changes occur.

12.6 Provide City-approved security guard(s) during all hours of operation at which beer is sold and/or consumed on the Premises in accordance with this Agreement and City policies.

12.7 Maintain the following licenses and certifications:

12.7.1 A valid City of Woodland Business License.

12.7.2 A valid City of Woodland Health Inspection Certificate.

12.7.3 All necessary documentation required to comply with the Yolo County Food Protection Program including, without limitation, a valid Food Safety Certification. The City currently has a food health permit from Yolo County for the Premises. To the extent permitted by the County and applicable law, City will execute documentation necessary to transfer the City's food health permit to Lessee.

12.7.4 A valid Liquor License issued by the California Department of Alcoholic Beverage Control for the sale of beer on the Premises.

12.7.5 A valid permit from the City Parks and Recreation Department pursuant to Section 15-28 of the Woodland Municipal Code, as amended or renumbered from time to time.

12.8 Comply with all local, State and Federal regulations including, without limitation, all existing County health requirements, Occupational and Safety Health Administration (OSHA) standards, and local, State and Federal labor laws. All work shall be done by qualified personnel and Lessee shall provide copies of all Federal, State, County and City licenses or certificates to City upon request.

13. **Indemnification**. Lessee shall defend, indemnify and hold harmless City, its officers, officials, employees, agents and volunteers from and against all claims, damages, demands, liability, costs, losses and expenses, including, without limitation, court costs and reasonable attorney's fees, arising out of or in connection with any act or omission of Lessee, its officers, employees, agents, volunteers, contractors and subcontractors with respect to the use, enjoyment or improvement of the Premises, except such loss or damage which was caused by the sole negligence or willful misconduct of City. City shall not be liable for any theft, vandalism, or any other damages to Premises. The provisions of this Section shall survive the termination and/or expiration of this Agreement.

14. **Taxes and Assessments.** Lessee shall pay in a timely manner all lawful Federal, State and/or local taxes, assessments, fees, licenses or charges which may be levied based upon:

14.1 Lessee's interest in this Agreement.

14.2 Any possessory right which Lessee may have in or to the Premises or improvements thereon by reasons of its use or occupancy thereof.

14.3 Any goods, merchandise, fixtures, appliances and equipment owned, used or sold by Lessee on or about the Premises including, but not limited to, applicable sales taxes.

15. **Insurance.** Lessee and its contractor(s) and subcontractor(s) shall maintain in full force and effect during the term of this Agreement insurance policies for general liability, automobile liability and professional liability issued by a reputable insurance company acceptable to City. Each policy shall be in an amount of not less than $1,000,000 combined single limit for all bodily injury and property damage claims. Each insurance policy shall name City as an additional insured, protecting the interests of City, Lessee, its subcontractors and agents from all loss, damage or liability of whatever nature (including Lessee indemnification of City hereunder) arising out of or in connection with Lessee's use, enjoyment or improvement of the Premises. Lessee's insurance shall be a primary policy and not contributory to or in excess of any policy of City. Said insurance policy shall provide that it shall not be cancelled or reduced in amount of coverage until thirty (30) days written notice of cancellation or reduction in coverage has been mailed to City.

15.1 Lessee shall furnish City with an annual insurance endorsement prior to the exercise of any of the rights and privileges granted by this Agreement and each subsequent year of this Agreement. Upon request by City, Lessee shall provide City with a copy of its insurance policy evidencing the issuance of the foregoing policy.

15.2 If Lessee employs any individual on the Premises or contracts for services to be rendered by a contractor's employee on the Premises, any such employee on the Premises shall be covered by applicable workers' compensation insurance as required by law. Lessee shall submit proof of current, effective workers' compensation insurance to City both annually and upon request by City.

16. **Return of Premises**. Upon expiration or termination of this Agreement, Lessee shall return the Premises to the same or better condition than existed prior to the execution of this Agreement, with the exception of reasonable wear and tear. Any improvements made to the Premises by Lessee shall become the property of City. In the event Lessee holds over past the term of this Agreement with the consent of the City, either express or implied, such holding over shall be from month to month only and the consideration to be paid shall be based on the rate then prevailing under this Agreement.

17. **Hazardous Substances**. Lessee shall not generate, use, store or dispose of any hazardous substance on the Premises except in accordance with all applicable Federal, State and local laws and regulations. Lessee shall hold City harmless from and indemnify City against and from any damage, loss, expenses or liability resulting from any generation, use, storage or disposal by Lessee of any hazardous substance on the Premises. "Hazardous substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, or other similar term of any Federal, State or local environmental law, regulation or rule now in effect or promulgated in the future as such laws, regulation or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, gasoline and other fuel, oil, grease and battery acid, or any substance

which after release into environment will or may reasonably be anticipated to cause sickness, death or disease.

18. **Early Termination.** Either party may terminate this Agreement upon sixty (60) days written notice. Additionally, City may terminate this Agreement prior to the expiration of the term by providing Lessee with thirty (30) days written notice specifying the manner in which Lessee is in default of this Agreement. In the event such default is not remedied within the 30 day period, the Agreement shall terminate and be of no further force and effect except as expressly provided herein. City, upon the effective date of such termination, may take possession of the Premises, without further notice or demand to Lessee, unless Lessee has cured the default and notified City in writing prior to or by the effective date of the termination. The following matters shall constitute an event of default:

18.1 Lessee remains in arrears in any payment of rent required by Section 3 for a period of at least five (5) days following receipt of written notice of such arrearage from City.

18.2 Lessee fails or refuses to:

18.2.1 pay any fees required to be paid by it within fifteen (15) days following receipt of written notice of such arrearage from City.

18.2.2 obtain or maintain the insurance required by this Agreement.

18.2.3 maintain the Premises as set forth in this Agreement.

18.3 Lessee files a voluntary petition in any proceedings in Bankruptcy Court.

18.4 Abandonment of the Premises by Lessee.

19. **General Provisions.**

19.1 Notices. Any notices required under this Agreement shall be sent as follows:

If to the Lessee:

Elizabeth Restaurant
Attn: Manuel Valenzuela
437 First Street
Woodland, CA 95695

If to the City:

City of Woodland
Attn: Elle Murphy, Recreation Manager
2001 East Street
Woodland, CA 95776
Fax: (530) 666-7257
elle.murphy@cityofwoodland.org

Notices given pursuant to this Agreement shall be deemed received as follows:

(a) If sent by United States Mail – three (3) days after deposit into the United States Mail, first class postage paid.

(b) If by facsimile, electronic mail or by hand delivery – on the date of receipt by the receiving party.

The addresses set forth in this Section may be changed upon written notice of such change to either the Lessee or the City, as appropriate.

19.2 Authority to Enter Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

19.3 Construction; References; Headings. It being agreed the Parties or their agents have participated in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Unless otherwise provided, any term referencing time, days, or period for performance shall be deemed calendar days and not work days. All references to Lessee include all officers, employees, agents, volunteers and contractors of Lessee, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The headings of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement..

19.4 Binding Effect. Each and all of the covenants and conditions shall be binding on and shall inure to the benefit of the Parties, and their successors, heirs, personal representatives, or assigns.

19.5 Assignment. Lessee shall not transfer or sublet the operation of the Premises without the express written consent of the City, which consent may be withheld in the City's sole discretion, notwithstanding sections 1995.260 and 1995.270 of the California Civil Code as they may be amended.

19.6 Relationship of the Parties. The parties expressly intend and agree that Lessee, in performing this Agreement, shall act as an independent contractor and shall have control over its work and the manner in which it is performed by Lessee and its employees. Lessee acknowledges that it is not an agent or employee of City and is not entitled to participate in any pension plans, bonus, stock or similar benefits that City provides for its employees.

19.7 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a

Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

19.8 Force Majeure. Neither City nor Lessee shall be deemed to be in breach of this Agreement if either is prevented from performing any of its obligations hereunder by reason of strike, boycott, labor dispute, embargo, shortage of energy or material, act of God, act of a public enemy, act of a superior governmental authority, weather conditions, rebellion, riot, sabotage, or any other circumstance for which it is not responsible, or which is not within its control.

19.9 Irreparable Damage. Unless as the result of a negligent or intentional act of Lessee, if during the term of this Agreement any portion of the Premises is damaged by fire or other catastrophic cause so as to render such portion of the Premises untenable, the obligations under this Agreement (including the obligation to pay rent) may be suspended while such portion of the Premises remains untenable. In the event of such damage, Lessee shall give City notice of such untenable conditions and the City shall elect, in its sole discretion and within thirty (30) days, whether to repair the Premises or to cancel this Agreement. In the event City elects not to repair the Premises, this Agreement shall be deemed terminated as of the date the damage occurred.

19.10 Choice of Law/Venue. This Agreement shall in all respects be interpreted, enforced and governed by and under the laws of the State of California. Should any judicial proceeding be brought relating to this Agreement, venue shall lie exclusively in a court of competent jurisdiction located in Yolo County, or if no such court can be found in Yolo County, a court of competent jurisdiction closest to Yolo County.

19.11 Severability. If any portion of this Agreement shall become illegal, null, void or against public policy for any reason, or shall be held by any court of competent jurisdiction to be illegal, null, void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect to the full extent permissible by law.

19.12 Attorneys' Fees. If an action is brought to recover damages, obtain equitable relief, or both, to interpret or enforce any provision of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees as part of its costs from the other party.

19.13 Counterparts. This Agreement may be executed in counterpart originals, which taken together, shall constitute one and the same instrument.

19.14 Amendments. This Agreement constitutes the entire agreement between the Parties and supersedes any and all prior oral or written agreements.

No modification of, or addition to, this Agreement shall be effective unless set forth in writing and signed by authorized both the City and Lessee.

IN WITNESS THEREOF, each Party has executed this Agreement as of the date first set forth above.

CITY OF WOODLAND

Mark Deven, City Manager

ELIZABETH RESTAURANT

Manuel Valenzuela

Elizabeth Perez

File #: 13-118, Version: 1

City of Woodland

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013

SUBJECT: Approve Amendment #2 to Agreement with Ferguson Group for Federal Representation and Advocacy Services for Flood Mitigation

Recommendation for Action

Staff recommends that the City Council approve contract amendment #2 to renew the Ferguson Group agreement for an additional 12 months, for an amount not to exceed $40,000.

Staff Contact

Lynn Johnson, Senior Management Analyst - (530) 661-5979, lynn.johnson@cityofwoodland.org

Council Goal

This recommendation is consistent with the City's goal for Economic Development/Jobs which includes completing the Lower Cache Creek Flood Study and Implementation Plan. The advocacy provided by the Ferguson Group is in support of securing federal funding for the project.

Fiscal Impact

The City Council has authorized the expenditure of $1.4 million to develop the Lower Cache Creek Feasibility Study, #09-15. The cost of the advocacy services is considered part of the project budget. This will be the third year with the Ferguson Group at a cost of $40,000 per year. The project is being funded by the storm drain enterprise fund through a long-term loan from the sewer enterprise fund. While included in the overall project budget, staff is pursuing the possibility of developing one or more cost-sharing agreements with partner agencies and flood mitigation stakeholders to assist in covering the costs for this contract.

Background

In September of 2011, the City Council approved an agreement with the Ferguson Group to provide federal advocacy on the City's behalf to help with the City's need to develop comprehensive federal government relations to secure federal financial assistance for solving flood problems associated with Cache Creek. The original agreement was for a 12 month period. In July 2012, the Council approved Amendment #1 which extended the contract an additional 12 months at a cost of $40,000. That contract amendment expired on August 31, 2013.

Discussion

Addressing the flood problem from Cache Creek is a complex process involving the City, County, State and Federal governments. The Ferguson Group helps the City maintain a presence in Washington D.C. to assist the City in developing and maintaining a relationship with the Senate, House of Representatives, and Army Corps of Engineers with a goal of ultimately receiving federal funding for a future Cache Creek flood mitigation project.

Conclusion

Staff recommends that the City Council approve contract amendment #2 to renew the Ferguson Group agreement for an additional 12 months, for an amount not to exceed $40,000

Prepared by: Lynn Johnson
Senior Management Analyst

Paul Navazio, City Manager

Attachment: Amendment #2 to Professional Services Agreement Between the City of Woodland and the Ferguson Group

ARTICLE 1. PARTIES AND DATE

This Second Amendment to the Professional Services Agreement ("Second Amendment") dated as of the ________________ is entered into by and between the City of Woodland ("City") and The Ferguson Group, a limited Liability Company ("Consultant").

ARTICLE 2. RECITALS

2.1 City and Consultant entered into that certain Professional Services Agreement dated September 6th, 2011 ("Agreement"), whereby Consultant agreed to provide services described in Exhibit A of the original agreement.

2.2 City and Consultant now desire to amend the Agreement to **:**

include additional compensation,

extend the term of the Agreement to include the period from September 1, 2013 to August 31, 2014 in accordance with the Consultant's proposal dated August 8, 2011 attached to the original agreement. The total additional compensation for the Second Amendment shall not exceed ($40,000.00).

ARTICLE 3. TERMS

3.1 **Continuing Effect of Agreement.** Except as amended by this Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment.

3.2 **Adequate Consideration.** The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

3.3 **Counterparts.** This Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

[SIGNATURES ON FOLLOWING PAGE]

City Of Woodland	**The Ferguson Group, LLC**
By: ______________________________	By: ______________________________
Paul Navazio City Manager City of Woodland	W. Rodger Gwinn President The Ferguson Group, LLC
Date:_________________	Date:___________________

ATTEST:

____
Ana B. Gonzalez, City Clerk

Legislation Text

File #: 13-249, Version: 1

City of Woodland

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013
SUBJECT: Approval of a Professional Services Agreement with West Yost Associates for Aquifer Storage and Recovery (ASR) Investigation

Recommendation for Action
Staff recommends that City Council approve a contract with West Yost Associates in the amount of $68,000 to provide engineering consulting services for Aquifer Storage and Recovery feasibility studies.

Staff Contact
Tim Busch, Principal Engineer, Utility Engineering (530) 661-5963, tim.busch@cityofwoodland.org

Council Goal

This action is consistent with Council goals for infrastructure. ASR is planned to be an integral component of the City's water system with the potential to improve water quality and ensure year-round availability of water to meet consumer demand and public health and safety requirements.

Fiscal Impact

ASR is part of the surface water supply project and is funded by the water enterprise fund with $150,000 approved for CIP #14-13 in FY14. This feasibility study is the initial step in assessing ASR operations in Woodland. Further investigative studies and capital projects funded through the water enterprise fund will be required in the future to fully implement ASR throughout the city once treated surface water is delivered. The project and budget were approved by Council in the Capital Improvement Program.

Background

ASR is the storage of water in a suitable aquifer during times when surface water is available for diversion, and recovery of the water from the aquifer when needed at a later time. ASR is an integral part of the surface water project and will allow the City to "bank" treated surface water that is readily available for diversion by the Woodland Davis Clean Water Agency (Agency) during winter months and then withdraw the water during summer months to meet the City's peak demands.

Prior to fully implementing ASR, the Agency's water right permit from the State Water Resources Control Board (SWRCB) must be modified to allow more than 30 days of storage of diverted surface water, and a supplemental environmental impact report (SEIR) must be completed to address the diversion of surface water for ASR purposes. In addition, the City must acquire a permit from the SWRCB in order to inject drinking water into the aquifer and meet all permitting requirements of the California Department of Public Health (CDPH) to operate municipal drinking water wells as ASR wells.

Discussion

The initial feasibility study will begin with injection testing at Well 28 which was equipped during construction to operate as a standard municipal well with ASR capabilities. Treated drinking water from the City's distribution system will be injected into the well while it is offline for approximately one month. Ground water levels and water quality in existing nearby and remote monitoring wells will be monitored during and after the injection testing to determine impacts from the injection of treated water. Prior to beginning the initial testing, West Yost and City staff will work with SWRCB and CDPH to acquire the appropriate waivers or permits for the short-term testing. A Categorical Exemption, §15301 Existing Facilities, has been filed for the feasibility testing.

Results from the initial injection testing will be used to support modification of the Agency's water rights permit and the SEIR and to provide data to assist the City in developing a program for full ASR implementation. Information gathered from the initial testing will be used to develop injection rates for ASR and to develop parameters for the conversion and operation of drinking water wells as ASR wells.

Staff believes ASR will be an important part of Woodland's future water supply portfolio. It will improve the City's operational flexibility and reliability in meeting water demands during times when diversions from the Sacramento River are curtailed due to State water right permit and federal contract terms. ASR also has longer-term water quality benefits because, over time, injected surface water can replace the native groundwater, which is impaired by nitrates and naturally occurring metallic salts (including arsenic, hexavalent chromium, manganese and selenium) with higher quality water. This has the potential to improve water quality in City wells in the vicinity of the ASR wells.

Conclusion

Staff recommends that City Council approve a contract with West Yost Associates in the amount of $68,000 to provide engineering consulting services for Aquifer Storage and Recovery feasibility studies.

Prepared by: Liz Houck, Senior Engineering Assistant, Utility Engineering

Reviewed by: Tim Busch, P.E., Principal Engineer, Utility Engineering
Brent Meyer, P.E., City Engineer

Paul Navazio, City Manager

Conclusion

Staff recommends that City Council approve a contract with West Yost Associates in the amount of $68,000 to provide engineering consulting services for Aquifer Storage and Recovery feasibility studies.

Prepared by: Liz Houck, Senior Engineering Assistant, Utility Engineering

Reviewed by: Tim Busch, P.E., Principal Engineer, Utility Engineering
Brent Meyer, P.E., City Engineer

Paul Navazio, City Manager

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013
SUBJECT: Chromium VI Response to State of California Propose Regulations

Recommendation for Action

Staff requests Council authorization for the Mayor to sign the comment letter to the State of California on the proposed chromium VI regulations. The letter is in draft form and may be edited prior to submission on October 11, 2013 based on comments from the Association of California Water Agencies and coordination with nearby communities.

Staff Contact

Tim Busch PE, Principal Utilities Civil Engineer - 530 661-5963, tim.busch@cityofwoodland.org

Fiscal Impact

There is no fiscal impact to submit comments on the proposed regulations. There is the potential for significant costs to the City to modify existing wells to construct improvements for the removal of chromium VI in addition to significant ongoing operations costs associated with chromium removal.

Background

On August 23, 2013, California Department of Public Health (CDPH) announced in the California Regulatory Notice Register <http://oal.ca.gov/August_2013_Notice_Register.htm> the proposed 10 parts per billion (ppb) maximum contaminant level (MCL) for hexavalent chromium (chromium VI). This CDPH action has very significant implications for Woodland when it will likely become a final MCL rule in early 2014. Staff anticipates we will likely have an implementation period of five years to comply. Staff believes that the water from the new Surface Water Project along with Aquifer Storage and Recovery (ASR) wells will be our means of complying with this new requirement and will constitute our future water supplies. Staff is evaluating utilizing blending of surface water and groundwater to achieve sufficient dilution of native groundwater to meet the MCL and is also evaluating restricting aquifers in wells to reduce the amount of chromium VI entering the system. These new water sources should be online prior to the end of the compliance implementation period for the chromium VI MCL.

Of our existing 19 wells, only one has low enough levels of chromium VI in the native groundwater to consistently be in compliance with the proposed chromium VI MCL. The surface water treatment facility will get its water from the Sacramento River which has very low levels of chromium VI. The additional storage tanks, such as the one currently being built at Rd 98 and El Dorado Avenue are taking on an even more important role as it will increase our water delivery capacity to handle peak hour water demands while ultimately reducing our dependency on the wells.

Staff has been taking steps to monitor the regulatory environment and to plan for the future. The dynamics of the regulatory environment make it very important that we have operational flexibility to comply with changing water delivery requirements. The proposed chromium VI regulation is within the range that Staff has been planning for so our plans for the Surface Water Project are still intact.

As has been done in other communities such as Roseville, Woodland is planning on using what is called ASR (Aquifer Storage and Recovery) wells. For example, the new well at Freeman Park was designed to be able to initially pump native groundwater and ultimately be converted to an ASR well. Once Woodland has the new Surface Water Project on line some of the surplus winter Sacramento River water will be treated and then injected deep down under the City in aquifers, stored there until it is needed during the summer months, and then this higher quality water will be pumped back out of the ground and used in addition to the limited flows available under our summer Sacramento River water rights. This ASR approach allows us to more fully utilize our water rights, reduces summer demands on the Sacramento River, gives us a higher water quality and provides a more diversified overall long-term water supply.

Why the new regulation? The proposed regulations set the MCL for chromium VI in drinking water at 10 parts per billion (ppb) and specifically regulate the hexavalent form of chromium. This is five times less than the current total chromium standard of 50 ppb, which includes both trivalent chromium (chromium-III) and chromium VI. The federal MCL for total chromium is 100 ppb. Chromium-III is generally considered to be harmless and actually a required nutrient, while chromium VI may pose a risk of cancer when ingested.

CDPH has performed a series of rigorous analyses that considered, among other things: the occurrence of chromium VI in drinking water sources statewide; the methods, feasibility and costs of detection; treatment and monitoring technology; and the relative health benefit that could be obtained at various MCL levels. In this process, CDPH also engaged input from public and private stakeholders, including public water systems and commercial laboratories.

The public comment period ends on October 11, 2013. CDPH will hold public hearings in Sacramento and in Los Angeles on October 11, 2013, to receive comments on the proposed regulations. For more information about chromium VI, please go to CDPH's website,
<http://www.cdph.ca.gov/certlic/drinkingwater/Pages/Chromium6.aspx>

Discussion

A draft comment letter to CDPH is attached. The comments generally include incorporating language in the proposed regulation to allow: a 5 year implementation timeframe, a higher MCL for chromium VI, flexible sampling procedures to account for systems primarily relying on surface water, and more flexible reporting to allow for use of groundwater wells during a drought or emergency.

The surface water project and ASR will be the primary source of water for the City with very low chromium-VI levels. The native groundwater wells would still need to be used for peak periods and during surface water rights curtailments. Staff is working on strategies for blending and well aquifer restrictions to comply with the new MCL with the goal of avoiding wellhead treatment. Wellhead treatment for chromium-VI is costly. In anticipation of the State's likely adoption of stricter regulation of chromium VI levels, staff is proceeding to identify strategies to comply with the new standards while minimizing impacts on rate payers.

Conclusion

Staff recommends that the City Council authorize the submittal of comments to the State of California on the proposed regulations for chromium VI.

Prepared by: Tim Busch PE, Principal Utilities Civil Engineer

Reviewed by: Brent Meyer, City Engineer
Ken Hiatt, Community Development Director

Paul Navazio, City Manager

Attachment: DRAFT Chromium VI Comments to CDPH

City of Woodland

Community Development Department, Engineering Division 300 First Street, Woodland CA 95695 530-661-5820 www.cityofwoodland.org

October 11, 2013

Mr. XXXXX
California Department of Public Health
Office of Regulations and Hearings
1616 Capitol Avenue
Sacramento, CA 95814

Subject: Hexavalent Chromium (Cr VI) Maximum Contaminant Level (DPH-11-005) proposed regulation comments

Dear Mr. XXXXX:

The City of Woodland has reviewed the proposed regulations for hexavalent chromium (DPH 11-005) and have prepared the following comments.

1. Implementation timeframe for compliance with the proposed MCL for chromium VI. A timeframe for implementation is not included in the proposed regulation.

Discussion
The City of Woodland is currently pursuing a new surface water source which is anticipated to be completed in 2016. The surface water source will allow the City to utilize surface water as the primary water source with existing groundwater wells utilized for supplemental supply for peak flows and during drought year surface water reductions. The wells would also serve as emergency backup. The surface water source is anticipated to have very low concentrations of chromium VI. The City will need time to complete the surface water project and evaluate options to meet the proposed MCL after the surface water project is completed.

The City and other communities will also need time to plan, budget, design, and construct any improvements to existing ground water wells or other system improvements that may be necessary to meet the proposed MCL.

Suggested changes to the regulation text

Include language for a five (5) year implementation timeframe for compliance with the new chromium VI MCL.

Resolution of issue
A five (5) year implementation timeframe would allow the City to complete the surface water project and evaluate which wells we intend to maintain after the surface water project is completed. It would also allow the

City to evaluate strategies for blending surface water with supplemental groundwater or treatment at the wells to remain below the MCL within the water system.

2. Regulation Section 64431, Table 64431-A

Hexavalent Chromium MCL of 0.010 mg/L

Discussion

The proposed regulation would require expensive treatment to remove naturally occurring chromium. The City has 19 groundwater wells with naturally occurring chromium VI concentrations ranging from less than .001 to 0.028 mg/L. The average concentration is 0.019 mg/L.

The proposed regulation is far more stringent than the USEPA standard of 0.1 mg/ which considers that the measurement is 100 percent chromium VI, see excerpt below.

> From US EPA website: "the EPA has a drinking water standard of 0.1 milligrams per liter (mg/L) or 100 parts per billion (ppb) for total chromium, which includes all forms of chromium including chromium-6. Chromium-6 and chromium-3 are covered under the total chromium drinking water standard because these forms of chromium can convert back and forth in water and in the human body, depending on environmental conditions. In order to ensure that the greatest potential risk is addressed, EPA's regulation assumes that a measurement of total chromium is 100 percent chromium-6, the more toxic form."

In February 2013, ToxStrategies, released the results of its research on the toxicity of chromium-6 and its "mode of action" (how it causes cancer in the body). The research was also designed to provide information on the differences between rodents and humans with regard to internal dose and develop the models and data needed to do a state-of-the-art risk assessment using NTP's 2007 findings. ToxStrategies' research found that its risk assessment using new mode of action (MOA) study data supports the current MCL (100 ppb) as protective for sensitive human subpopulations. More information is available here:

http://www.toxstrategies.com/publications/CRVI_MOA_study.htm.

There are significant costs to communities to implement the proposed chromium VI MCL. The City has 19 groundwater wells with capacities ranging between 1,000 gpm to 2,000 gpm. The treatment costs vary widely depending on treatment technology. Construction costs to remove the naturally occurring chromium to below 0.010 mg/L is estimated between $3 million and $8 million per well based on the City of Davis and City of Glendale chromium studies. Additionally, annual operation and maintenance costs area estimated in the range of $40,000 to well over $100,000 per well.

Suggested changes to the regulation text

Hexavalent Chromium MCL of 0.050 mg/L

Resolution of issue

Our groundwater wells pump naturally occurring chromium VI in concentrations ranging between <1 mg/L and 28 mg/L, levels that are well below the USEPA and current California MCL, but are impacted by the proposed

MCL. A higher MCL would allow the City to utilize existing wells without expensive modifications and higher operation & maintenance costs.

3. Regulation Section 64432 (f) (2)

Discussion

The section allows for composite sampling within the distribution system. The text states that a composite sample cannot exceed one fifth of the MCL. The City's water system will primarily utilize surface water with groundwater wells as emergency backup and as supplemental supply during peak usage periods (peak hour and max day) and also during a drought year.

We anticipate utilizing surface water for 100% of our supply during winter. The surface water has a minimal concentration of chromium VI. We anticipated utilizing surface water for between 80% and 100% during summers without Term 91 or Shasta Critical Year curtailments. During a drought year, however, we may utilize groundwater for up to 50% of supply and would blend the water with surface water in a water storage tank and transmission main to reduce the chromium VI concentration in the distribution system. We would need to sample at individual sites within the distribution system or utilize a composite sample to verify compliance with the MCL.

Sampling at the source, groundwater wells and surface water supply, does not accurately test for chromium VI or other contaminants in the distribution system for communities where the majority of supply is surface water. The volume of water supplied by surface water is far higher than the supply produced by each groundwater well. The water quality is accurately tested in the distribution system after surface water groundwater are blended.

Suggested changes to the regulation text

Incorporate language to allow the detection of chromium VI up to the MCL within the distribution system for a composite sample. Alternatively, allow individual sampling at up to 5 locations within a distribution system with each sample equal to or less than the MCL for communities with a surface water and groundwater blended water system.

Resolution of issue

Allowing either a composite sample from the distribution system or individual samples from the distribution system up to the MCL will allow communities that rely on both surface water and groundwater to blend surface water and groundwater. Allowing a composite sample or individual samples would still meet the intent of the regulation in that customers drinking water is less than the MCL.

4. Regulation Section 64432 (i)

Discussion

The section states that if any one sample would cause the annual average to exceed the MCL, the system is immediately in violation. During a prolonged drought, the City would be more reliant on groundwater wells and the extended usage of those wells could extend more than one sampling period. The extended use of groundwater wells to supplement supply during a drought year may cause the annual average to exceed the MCL. The text also indicates that communities could perform additional sampling to bring the running average below the MCL, which may resolve the issue.

The City is looking to avoid costly treatment to remove chromium VI at groundwater wells when the wells would be used as supplemental supply only during a drought year. It would be prohibitively expensive to construct and maintain treatment facilities for groundwater wells that would be placed into service only every few years.

Suggested changes to the regulation text

Incorporate language to allow an exemption from the MCL for communities with surface water and groundwater systems during a drought year or an emergency. Allow the communities to test above the MCL for chromium VI during a prolonged drought period, when surface water usage would be curtailed or in an emergency, such as an unplanned outage of a surface water treatment plant, when groundwater wells would be used as backup.

Resolution of issue

Incorporating language in the proposed regulation to allow communities to test above the MCL, either individual samples or the annual average, during a drought year or in an emergency would allow communities to utilize backup wells when needed.

Thank you for your consideration of our comments on the proposed regulations.

Sincerely,

Tim Busch, PE
Principal Utilities Civil Engineer
City of Woodland

cc:

Legislation Text

File #: 13-256, Version: 1

City of Woodland

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013
SUBJECT: Approve I-5 & SR113 Interchange Replacement Cooperative Agreement, CIP 00-06

Recommendation for Action
Staff recommends City Council approve the proposed Cooperative Agreement amendment with Caltrans for the I-5/SR 113 Interchange Project and adopt Resolution No. _____ authorizing the City Manager to sign the agreement on behalf of the City.

Staff Contact
Brent Meyer, City Engineer - 530 661-5947, brent.meyer@cityofwoodland.org

Fiscal Impact

City funds identified in the agreement are expected to be replaced with state and federal funds at a much later date when the project has construction funding. The agreement stipulates City funds cannot be expended until the City Manager and the Finance Director confirm City funds are available. This is based on language from the 2008 agreement (section I, article 5) which is still in effect. Any use of City funds would need to come from a separate Council action such as the approval of the Capital Budget. As explained later in the report, this funding is only intended to be a placeholder until other funds are identified in the future. This cooperative agreement amendment identifies $7.1 million of local funds that will be contributed to the I-5/State Route 113 Project.

There is no impact to the General Fund.

Background

The current phase of the I-5/SR 113 Interchange Project consists of the construction of a northbound I-5 freeway to southbound SR 113 freeway connector. In discussion with the Sacramento Area Council of Governments (SACOG), Yolo County Transit District (YTCD) and other regional leaders, the City decided to

delay the pursuit of funding for this project and seek funding for other needed projects that are more financially feasible.
Because of this change in project funding, staff is bringing forward this cooperative agreement amendment to provide for maintenance of previously acquired parcels, to release $200,000 of federal earmark funding for the I-5/CR 102 landscaping project, to release approximately $1.8 million of State Transportation Improvement Program funding (STIP) for improvements on E Main Street (I-5 to East Street) and to program and secure the federal funding that has been set aside for the I-5/SR 113 project. The maintenance work will be performed by Caltrans. The $200,000 for the I-5/CR 102 landscaping project is needed to fully fund that project which will be constructed in the 2014 construction season. The $1.8 million for E Main Street was agreed to by SACOG in conjunction with the City's decision to no longer pursue funding for the I-5/SR 113 project in the near term. SACOG allowed any leftover I-5/SR 113 project funding to be used on E Main Street near the freeways because that section of E Main Street will continue to serve as the signed route for the connection of the two freeways. The improvements on E Main will likely be constructed in the next 2-3 years.

It should be noted that the $200,000 for I-5/CR 102 landscaping and the $1.8 million for E Main Street are not specifically mentioned in the Caltrans amendment. Rather, these funds have been removed from the document so that the money is available for reprogramming with SACOG.

The City and Caltrans entered into a cooperative agreement on September 16, 2003 in order to acquire right of way for the I-5/SR 113 interchange. This agreement was replaced on September 2, 2008 due to the City seeking to reallocate $3 million of federal earmark from the I-5/SR 113 project to the I-5/CR 102 project. This agreement is being amended with the Council action tonight.

During the negotiations for the 2008 agreement with Caltrans, the City was interested in taking funding out of the agreement in order to fully fund the I-5/CR 102. Because Caltrans and the California Transportation Commission (CTC) require that each project phase be fully funded, the City was required to identify some placeholder funding so that right of way activities could continue. The agreement that City staff came to with Caltrans was to name City funds to complete the funding package for the project right-of-way with the understanding that strict controls would be in place prior to the expenditure of any City funds. The agreement states the City Manager and Finance Director must confirm in writing that City funds are available prior to its expenditure. The City would need to have funding programmed in the Capital Budget in order to have the City sign off on the use of City funds. Because the City is taking out additional funding from this agreement for other purposes, additional City funds would need to be put into the agreement as a placeholder.

Discussion

From a practical perspective, Caltrans will not be pursuing additional property acquisition until the project has a realistic plan for construction funding. When the project has construction funding in place, the City will be seeking state and federal funds to displace the City funding that is currently programmed. Staff is recommending that this agreement be signed so that right of way maintenance activities can be funded with the state and federal funds that are currently available.

Conclusion

Staff recommends City Council approve the proposed Cooperative Agreement amendment with Caltrans for the I-5/SR 113 Interchange Project and adopt Resolution No. _____ authorizing the City Manager to sign the agreement on behalf of the City.

Prepared by: Brent Meyer, P.E., City Engineer

Reviewed by: Ken Hiatt, Community Development Director

Paul Navazio, City Manager

Attachments: Council Resolution for the I-5/SR 113 Cooperative Agreement
Proposed Cooperative Agreement Amendment for the I-5/SR 113 Project
Replacement Cooperative Agreement for the I-5/SR 113 Project, 9/2/2008
Cooperative Agreement for the I-5/SR 113 Project, 9/16/2003

RESOLUTION NO. ________

A RESOLUTION APPROVING THE REPLACEMENT COOPERATIVE AGREEMENT AMENDMENT NUMBER 2 WITH CALTRANS FOR RIGHT-OF-WAY ACQUISITION AT THE I-5/STATE ROUTE 113 INTERCHANGE AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT ON BEHALF OF THE CITY OF WOODLAND

WHEREAS, the City and Caltrans mutually desire to have a funding plan in place to pay for maintenance of acquired parcels for the future I-5/SR 113 project ; and

WHEREAS, the City would like to reallocate $200,000 of federal earmark and approximately $1.8 million of STIP funding for other City projects; and

WHEREAS, there is no impact to the General Fund. City funds identified in the agreement are expected to be replaced with state and federal funds. The agreement stipulates City funds cannot be expended until the City Manager and the Finance Director confirm City funds are available. Any use of City funds would need to come from a separate Council action such as the approval of the Capital Budget; and

NOW THEREFORE BE IT RESOLVED, that the Replacement Cooperative Agreement for the I-5 & State Route 113 Interchange Project right-of-way acquisition for the connector ramp from northbound I-5 to southbound SR 113 is hereby approved and that the City Manager is authorized to execute said document on behalf of the City of Woodland.

PASSED AND ADOPTED on October 1, 2013. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the Woodland City Council by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
MARLIN H. DAVIES, MAYOR

ATTEST:

____
ANA GONZALEZ, CITY CLERK

03-Yolo-I-5 KP 10.3/11.0 (PM R6.4/R6.8)
SR-113 KP 15.8/17.1 (PM 9.8/10.6)
I-5 N/B Connector Ramp to SR-113 S/B
EA No. 03-37422
District Agreement No. 03-0237 A-2

COOPERATIVE AGREEMENT AMENDMENT No. 2

THIS COOPERATIVE AGREEMENT AMENDMENT NO. 2 ("Second Amendment"), ENTERED INTO EFFECTIVE ______________________________, is between the STATE OF CALIFORNIA, acting by and through its Department of Transportation, referred to herein as "STATE," and the

CITY OF WOODLAND, a Municipal Corporation organized and existing under the laws of the State of California, referred to herein as "CITY".

RECITALS

1. STATE and CITY, collectively referred to as PARTIES, entered into Agreement No. 03-0237 ("AGREEMENT") on September 16, 2003. The AGREEMENT outlined the PARTIES responsibilities pertain to performing and funding right of way activities needed in order to construct a connector ramp from northbound Interstate 5 (I-5) to southbound State Route 113 (SR 113), referred to as "PROJECT".

2. PARTIES have since entered into a subsequent agreement (03-0237 A-1) on September 2, 2008, termed the Replacement Cooperative Agreement ("REPLACED COOPT"). The REPLACED COOPT outlined a change in funding for right of way activities.

3. PARTIES now have agreed to enter into this Second Amendment (03-0237 A-2) in order to reflect funding changes and to address property management of acquired right of way for PROJECT. PROJECT construction will not occur until future construction capital funding is programmed.

4. PARTIES will now define the changes in this Second Amendment .

IT IS THEREFORE MUTUALLY AGREED:

To the following changes:

1. Recital 3 of the REPLACED COOPT will be amended in its entirety to read as follows:

   CITY will fund $1,819,000 of PROJECT R/W capital costs for PROJECT and R/W support for property management of acquired parcels using its federal TEA-21 High Priority Project (HPP) funds, plus an additional $18,150 from PROJECT DEM 9404 (001), herein referred to as "FUNDS", (reimbursement ratio – 80%), as shown in Exhibit A-2, attached hereto and made a part of this Second Amendment.

2. Recital 4 of the REPLACED COOPT will be amended in its entirety to read as follows:

   CITY will prove the match to FUNDS using State only State Transporation Improvement Program- Regional Improvement Program (STIP-RIP) funds in the amount of $1,102,039, as shown in Exhibit A-2.

3. Section I, Article 2 of the REPLACED COOPT will be amended in its entirety to read as follows:

   To perform all necessary R/W acquisition services, providing utility relocation services, and R/W support services for property management of acquired parcels for PROJECT.

4. Section I, Article 3 of the REPLACED COOPT will be amended in its entirety to read as follows:

   To acquire and maintain all necessary R/W as may be required for construction of PROJECT and CITY hereby authorizes STATE to acquire on its behalf all such necessary R/W required for PROJECT.

4. Section II, Article 2 of the REPLACED COOPT will be amended in its entirety to read as follows:

   To authorize STATE to use FUNDS toward PROJECT R/W capital and R/W support costs for R/W activities including property management of acquired parcels.

5. Section II, Article 3 of the REPLACED COOPT will be amended in its entirety to read as follows:

   To pay PROJECT R/W capital costs up to the amount of $7,080,120 using local funds as shown on Exhibit A-2. CITY's total PROJECT R/W capital and R/W support cost financial obligation using its HPP and PROJECT DEM 9404 (001) funds is $1,837,150 unless at its sole discretion CITY authorizes a greater amount by amendment to this Agreement.

6. A new article 3A is added in Section II to read as follows:

   To provide the match to FUNDS using State only State Transportation Improvement Program - Regional Improvement Program (STIP-RIP) funds in the amount of $1,102,039, as shown in Exhibit A-2.

7. Section II, Article 4 of the REPLACED COOPT will be amended in its entirety to read as follows:

   To deposit with STATE within twenty-five (25) days of receipt of billing thereof, the amount of $500,000, which figure represents CITY's initial billing of estimated PROJECT R/W capital costs. In no event shall billings to CITY for its local funds exceed the amount of $7,080,120. Local funds, along with STIP-RIP funds will be used as a match for FUNDS.

8. Section II, Article 7 of the REPLACED COOPT will be amended in its entirety to read as follows:

   To transfer $200,000 of HPP FUNDS from District Agreement No. 03-0237 A-1 to CITY. To transfer $178,000 of HPP FUNDS (Federal Project Number HP21L-5046 (025)) to right of way support.

9. Section III, Article 4 of the REPLACED COOPT will be amended in its entirety to read as follows:

   If termination of this Agreement is by mutual consent, STATE will bear eleven percent (11%) and CITY will bear eighty nine percent (89%) of all PROJECT R/W capital costs incurred by STATE prior to termination, except that any utility relocation costs shall be prorated in accordance with STATE/CITY's responsibility for utility relocation costs.

10. Section III, Article 7 of the REPLACED COOPT will be amended in its entirety to read as follows:

   If existing public and/or private utility facilities conflict with PROJECT construction or violate STATE's encroachment policy, STATE shall make all necessary arrangements with the owners of such facilities for their protection, relocation or removal. STATE shall inspect the protection, relocation or removal. If there are costs of such protection, relocation or removal which STATE and CITY must legally pay, STATE and CITY shall share in the cost of said protection, relocation or removal, plus cost of engineering overhead and inspection, in the amount of 11% STATE and 89% CITY. If any protection, relocation or removal of utilities is required, such work shall be performed in accordance with STATE's policy and procedure for those facilities located within the limits of work providing for the improvement to SHS and in accordance with CITY policy for those facilities outside of the limits of work providing for the improvement to SHS.

11. Section III, Article 21 (second paragraph) of the REPLACED COOPT will be amended in its entirety to read as follows:

    Except as otherwise provided in Article (5) of this Section III, that portion of the Agreement pertaining to the PROJECT right of way capital cost shall terminate upon completion of right of way activities, or on November 1, 2028, whichever is earlier in time; however, the ownership, operation, maintenance, liability, and claims clauses shall remain in effect until terminated or modified in writing by mutual agreement. Should any right of way acquisition claim arising out of PROJECT be asserted against STATE or the cost of PROJECT increases beyond the funding obligation in this Agreement, CITY agrees to work with STATE to obtain the necessary funding to complete the right of way acquisition and extend the termination date of this Agreement.

12. Exhibit A-1 is replaced in its entirety with Exhibit A-2 attached hereto and made a part of this Second Amendment and all references to Exhibit A-1 are deemed to be that of Exhibit A-2.

13. All other terms and conditions of the AGREEMENT, as modified by the First Amendment, shall remain in full force and effect.

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

By: ______________________
THOMAS L. BRANNON
Deputy District Director
D3 Program/Project Management

Approved as to form and procedure:

By: ______________________
Attorney, Department of Transportation

Certified as to funds:

By: ______________________
District Project Control Officer

Certified as to financial terms and policies:

By: for Pauline Wong MARIA V. Manfred
Accounting Administrator

CITY OF WOODLAND

By: ______________________
City Manager

Attest: ______________________

Approved as to form and procedure:

By: ______________________
City Attorney

EXHIBIT A-2

	State-only STIP-RIP	**City Local Funds**	**Federal HPP FUNDS**	**Total**
R/W CAPTIAL COSTS CA A-2	$1,057,539			$1,057,539
		$7,080,120		$7,080,120
			$1,659,150 [1]	$1,659,150
SUBTOTAL	$1,057,539	$7,080,120	$1,659,150	$9,796,809
	State-only STIP-RIP	**City Local Funds**	**Federal HPP FUNDS**	**Total**
RW SUPPORT COSTS CA A-2	$44,500			$44,500
				$0
			$178,000	$178,000
SUBTOTAL	$44,500	$0	$178,000	$222,500
FUND TYPE GRAND TOTAL	$1,102,039	$7,080,120	$1,837,150	$10,019,309
Percentage	11%	71%	18%	100%

[1]This amount includes $18,150 in PROJECT DEM 9404(001) funds.

Notes:

1. Federal HPP Funds will be used for RW support and to manage acquired parcels. Annual R/W support and capital cost associated with RW property management of acquired parcels are estimated at $7,500 and $2,500, respectively, for fifteen (15) years. The required match for HPP Funds used for RW support and property management of acquired parcels will be retained in STIP-RIP. Remaining HPP Funds not used for capital and support costs for property management of acquired parcels will be used for future PROJECT R/W costs; the required match will come from Local Funds.

03-Yolo-I-5 KP 10.3/11.0 (PM R6.4/R6.8)
SR-113 KP 15.8/17.1 (PM 9.8/10.6)
I-5 N/b Connector Ramp to SR-113 S/B
EA No. 03-374221
District Agreement No. 03-0237-A1

REPLACEMENT COOPERATIVE AGREEMENT

THIS AGREEMENT, ENTERED INTO EFFECTIVE Sept. 2, 2008 is between the STATE OF CALIFORNIA, acting by and through its Department of Transportation, referred to herein as "STATE," and

CITY OF WOODLAND, a Municipal Corporation organized and existing under the laws of the State of California, referred to herein as "CITY."

RECITALS

1. STATE CITY, herein referred to as "PARTIES", pursuant to Streets and Highways Code Sections 114 and 130, are authorized to enter into a Cooperative Agreement for improvements to State Highway System (SHS) right of way (R/W) within CITY's jurisdictional limits.

2. PARTIES intend to construct a connector ramp from northbound I-5 to southbound State Route 113 (SR 113) in CITY, referred to herein as "PROJECT", and intend to define herein the terms and conditions under which the R/W for PROJECT is to be financed, acquired, and maintained.

3. CITY will fund $2,019,000 of PROJECT capital costs using its federal TEA-21 High Priority Project (HPP) funds, plus an additional $18,150 from PROJECT DEM 9404 (001), herein referred to as "FUNDS", (reimbursement ratio – 80%), along with local funds up to the amount of $2,766,850, as shown in Exhibit A, attached to and made a part of this agreement.

4. STATE will provide the match to FUNDS using State only State Transportation Improvement Program – Regional Improvement Program (STIP-RIP) funds in the amount of $2,926,000, as shown in Exhibit A.

5. PARTIES now intend to replace the original Cooperative Agreement 03-0237, executed September 16, 2003, with the Agreement as outlined below.

SECTION I

STATE AGREES:

1. To replace the original Cooperative Agreement 03-0237, executed September 16, 2003, with the Agreement as outlined below.

2. To perform all necessary R/W acquisition services, including disposing of excess land, and providing utility relocation services for PROJECT, and to provide the match to FUNDS in the amount of $2,926,000 using State only STIP-RIP funds as shown on Exhibit A.

3. To acquire all necessary R/W as may be required for construction of PROJECT and CITY hereby authorizes STATE to acquire on its behalf all such necessary R/W required for PROJECT.

4. To submit an initial billing to CITY in the amount of $500,000 as soon as all HPP and STIP-RIP funds are expended and STATE has received written verification from CITY that local funds are available for CITY's local fund share of PROJECT R/W capital costs. To thereafter submit to CITY monthly billings, in arrears, for current actual R/W capital costs.

5. STATE will notify CITY, in writing, when STATE has expended all HPP and STIP-RIP funds. Prior to spending any CITY funding or making R/W offers that would obligate CITY, STATE shall receive written permission from the City Manager and the Finance Director that the required funds are available.

6. Upon completion of PROJECT R/W and all work incidental thereto, if City requests to furnish CITY with a detailed statement of the portion of R/W capital costs to be borne by CITY. STATE thereafter shall refund to CITY within ninety (90) days after completion of STATE's final accounting of PROJECT costs, any amount of CITY's deposits required in Section II, Articles 2 and 3 remaining after actual costs to be borne by CITY have been deducted, or to bill CITY for any additional amount required to complete CITY's financial obligations pursuant to this Agreement.

SECTION II

CITY AGREES:

1. To replace the original Cooperative Agreement 03-0237, executed September 16, 2003, with the Agreement as outlined below.

2. To authorize STATE to use FUNDS toward PROJECT R/W capital costs.

3. To pay PROJECT R/W capital costs up to the amount of $2,766,850 using local funds as shown on Exhibit A. CITY's total PROJECT R/W capital cost financial obligation in HPP and local funds is $4,804,000, unless, at its sole discretion, CITY authorizes a greater amount by amendment to this Agreement.

4. To deposit with STATE within twenty-five (25) days of receipt of billing thereof, the amount of $500,000, which figure represents CITY's of one month's estimated PROJECT R/W capital costs. In no event shall billings to CITY exceed the amount of $2,766,850.

5. To pay STATE upon completion of all work and within twenty (20) days of receipt of a detailed statement made upon final accounting of costs thereof, any amount over and above the aforesaid advance deposit required to complete CITY's financial obligation pursuant of this Agreement.

6. CITY will have first option to purchase at fair market value from STATE excess property from PROJECT that STATE may decide to sell. CITY agrees that the appraisal shall be completed by STATE for excess property.

7. To transfer $3,000,000 of HPP funds from this Agreement, to be used as partial funding for CITY's Interstate 5 (I-5)/County Road 102 (CR 102) project as described in Cooperative Agreement number 03-0305.

SECTION III

IT IS MUTUALLY AGREED:

1. All obligations of STATE under the terms of this Agreement are subject to the appropriation of resources by the California Legislature and the allocation of resources by the California Transportation Commission.

2. Should any portion of PROJECT be financed with Federal funds or State gas tax funds, all applicable laws, rules and policies relating to the use of such funds shall apply notwithstanding other provisions of this Agreement.

3. CITY hereby waives all authority to administer the CITY's Federal Demonstration (TEA-21) funds for PROJECT and grants said authority to STATE, and STATE shall assume responsibility on CITY's behalf for securing, disbursing, and providing any administration required for said funds.

4. If termination of this Agreement is by mutual consent, STATE will bear thirty eight percent (38%) and CITY will bear sixty two percent (62%) of all PROJECT R/W capital costs incurred by STATE prior to termination, except that any utility relocation costs shall be prorated in accordance with STATE/CITY's responsibility for utility relocation costs.

5. CITY may terminate this Agreement prior to the expenditure of local funds, but CITY will pay its portion of support and R/W capital costs expended at the time of termination.

6. PARTIES agree that all R/W offers completed prior to the execution of this Agreement will be honored as part of this Agreement.

7. If existing public and/or private utility facilities conflict with PROJECT construction or violate STATE's encroachment policy, STATE shall make all necessary arrangements with the owners of such facilities for their protection, relocation or removal. STATE shall inspect the protection, relocation or removal. If there are costs of such protection, relocation or removal which STATE and CITY must legally pay, STATE and CITY shall share in the cost of said protection, relocation or removal, plus cost of engineering overhead and inspection, in the amount of 38% STATE and 62% CITY. If any protection, relocation or removal of utilities is required, such work shall be performed in accordance with STATE's policy and procedure for those facilities located within the limits of work providing for the improvement to SHS and in accordance with CITY

policy for those facilities outside of the limits of work providing for the improvement to SHS.

8. The party that discovers HM will immediately notify the other party(ies) to this Agreement.

   HM-1 is defined as hazardous material (including but not limited to hazardous waste) that requires removal and disposal pursuant to federal or state law, whether it is disturbed by PROJECT or not.

   HM-2 is defined as hazardous material (including but not limited to hazardous waste) that may require removal and disposal pursuant to federal or state law, only if disturbed by PROJECT.

9. STATE, independent of PROJECT, is responsible for any HM-1 found within existing SHS right of way. STATE will undertake HM-1 management activities with minimum impact to PROJECT schedule and will pay all costs for HM-1 management activities.

   CITY, independent of PROJECT, is responsible for any HM-1 found outside existing SHS right of way. CITY will undertake HM-1 management activities with minimum impact to PROJECT schedule and will pay all costs for HM-1 management activities.

10. If HM-2 is found within the limits of PROJECT, the public agency responsible for advertisement, award, and administration (AAA) of the PROJECT construction contract will be responsible for HM-2 management activities.

    Any management activity cost related to HM-2 is a PROJECT construction cost.

11. Management activities related to either HM-1 or HM-2 include, without limitation, any necessary manifest requirements and designation of disposal facility.

12. STATE's acquisition or acceptance of title to any property on which any hazardous material is found will proceed in accordance with STATE's policy on such acquisition.

13. Upon completion and acceptance of the PROJECT construction contract by STATE, STATE will accept control of and maintain, at its own cost and expense, those portions of PROJECT lying within STATE's right of way, except local roads delegated to CITY for maintenance. STATE will maintain, at STATE expense, the entire structure below the deck surface of any CITY local road over crossings.

14. CITY will accept control and maintain, at its own cost and expense, the portions of PROJECT lying outside of the STATE's right of way. Also, CITY will maintain, at CITY expense, local roads within STATE's right of way delegated to CITY for maintenance. CITY will also maintain remaining portions of the structure, including the

deck surface and above, as well as all traffic service facilities that may be required for the benefit or control of CITY street traffic.

15. Execution of this Agreement by CITY grants to STATE the right to enter upon CITY owned lands as necessary to construct PROJECT.

16. The costs referred to herein cover only "matching funds" based on the assumption Federal-aid funds will be allocated for financing approximately 20% match using local funds, or STIP/RIP funds is required for Federal High Priority Project (HPP) funds as shown on Exhibit A. In the event that matching funds are not secured, either party may terminate this Agreement at any time prior to award of the construction contract for PROJECT.

17. Upon completion of all work under this Agreement, ownership and title to materials, equipment and appurtenances installed within STATE's right of way will automatically be vested in STATE, and materials, equipment and appurtenances installed outside of STATE's right of way will be automatically vested in CITY. No further agreement will be necessary to transfer ownership as hereinabove stated.

18. Nothing in the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not parties to this Agreement or affect the legal liability of either party to the Agreement by imposing any standard of care with respect to the maintenance of State highways different from the standard of care imposed by law.

19. Neither STATE nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority, or jurisdiction conferred upon CITYor arising under this agreement. It is understood and agreed that, CITY will fully defend, indemnify, and save harmless STATE and all of its officers and employees from all claims, suits, or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by CITY under this agreement.

20. Neither CITY nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by STATE under or in connection with any work, authority, or jurisdiction conferred upon STATE or arising under this agreement. It is understood and agreed that, STATE will fully defend, indemnify, and save harmless CITY and all of its officers and employees from all claims, suits, or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this agreement.

21. No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.

21. Except as otherwise provided in Article (5) of this Section III, that portion of Agreement pertaining to the PROJECT right of way capital cost shall terminate upon completion of right of way activities, or on April 01, 2014, whichever is earlier in time; however, the ownership, operation, maintenance, liability, and claims clauses shall remain in effect until terminated or modified in writing by mutual agreement. Should any right of way acquisition claim arising out of PROJECT be asserted against STATE or the cost of PROJECT increases beyond the funding obligation in this Agreement, CITY agrees to work with STATE to obtain the necessary funding to complete the right of way acquisition and extend the termination date of this Agreement.

03-Yolo-I-5 KP 10.3/11.0 (PM R6.4/R6.8)
SR-113 KP 15.8/17.1 (PM 9.8/10.6)
I-5 N/b Connector Ramp to SR-113 S/b
EA 03-374221
District Agreement No. 03-0237-A1

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

By: ______________________
Gary S. Sidhu, Deputy District Director
District 3 Program/Project Management

Approved as to form and procedure:

By: ______________________
Attorney, Department of Transportation

Certified as to funds:

By: ______________________
District Project Control Officer

Certified as to financial terms and policies:

By: ______________________
Accounting Administrator

CITY OF WOODLAND

By: ______________________
City Manager

Attest: ______________________

Approved as to form and procedure:

By: ______________________
City Attorney

EXHIBIT A

R/WCapital Costs	State-only STIP-RIP Match Funds	Federal HPP Funds	Local Funds	Total
STATE	$2,926,000			$2,926,000 (38%)
CITY		$2,037,150[1]	$2,766,850	$4,804,000 (62%)
TOTAL	**$2,926,000**	**$2,037,150**	**$2,766,850**	**$7,730,000 (100%)**

[1]This amount includes $18,150 in PROJECT DEM 9404(001) funds.

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03-Yolo-I-5 KP 10.3/11.0 (PM R6.4/R6.8)
SR-113 KP 15.8/17.1 (PM 9.8/10.6)
I-5 N/b Connector Ramp to SR-113 S/b
EA 03-374221
District Agreement No. 03-0237

COOPERATIVE AGREEMENT

THIS AGREEMENT, entered into effective on September 16, 2003 is between the STATE OF CALIFORNIA, acting by and through its Department of Transportation, referred to herein as "STATE," and

CITY OF WOODLAND, a Municipal Corporation organized and existing under the laws of the State of California, referred to herein as "CITY."

RECITALS

1. STATE and CITY, pursuant to Streets and Highways Code Sections 114 and 130, are authorized to enter into a Cooperative Agreement for improvements to State highways within CITY.

2. STATE and CITY desire to construct a connector ramp from northbound I-5 to southbound SR-113 in the City of Woodland, referred to herein as "PROJECT", and desire to define herein the terms and conditions under which the right of way for PROJECT is to be engineered, appraised, acquired, and maintained.

3. STATE's share of the right of way capital cost, using CITY Federal Demonstration (TEA-21) Funds and STIP-RIP Funds is $5,545,000.

4. CITY's share of the right of way capital costs is $1,255,000.

SECTION I

STATE AGREES:

1. To perform all necessary right of way acquisition services, including disposing of excess land, and utility relocation services for PROJECT, and to bear eighty-one and one half percent (81.5%) of the actual expense of right of way capital cost, but in no event shall STATE's total obligation for said PROJECT right of way capital costs under this Agreement exceed the amount of $5,545,000 as shown in Exhibit A, attached to and made a part of this Agreement.

2. To acquire all necessary right of way as may be required for construction of PROJECT and CITY hereby authorizes STATE to acquire on its behalf all such necessary right of way required for PROJECT.

3. To prepare fair market value appraisal reports on all parcels of right of way required for PROJECT.

4. To accept at no cost to STATE a portion of the CITY's property (State Parcel Number 34008) as needed for construction of the PROJECT.

5. To submit an initial billing in the amount of $50,000 to CITY within thirty (30) days upon execution of this Agreement and prior to commencement of any acquisition work performed by STATE. Said initial billing represents CITY's share for two months estimated cost of right of way capital for PROJECT.

6. Thereafter, to prepare and submit to CITY monthly billing statements for estimated expenditure for right of way acquisition costs one month in advance to CITY as development of PROJECT proceeds.

7. To provide CITY quarterly reports of actual expenditures compared to the monthly advances made by CITY and to provide updated planned reimbursement schedules. The payment amounts may be revised based on updated planned expenditure schedules. STATE will monitor the actual versus the planned expenditures monthly to assure that City payments pursuant to Section II, Articles 1, 2, 3, 4 and 5 will always be sufficient.

8. Upon completion of PROJECT right of way and all work incidental, thereto, to furnish CITY with a detailed statement of the portion of right of way capital costs to be borne by CITY. STATE thereafter shall refund to CITY within ninety (90) days after completion of STATE's final accounting of PROJECT costs, any amount of CITY's deposits required in Section II, Articles 2 and 3 remaining after actual costs to be borne by CITY have been deducted, or to bill CITY for any additional amount required to complete CITY's financial obligations pursuant to this Agreement.

SECTION II

CITY AGREES:

1. To provide funds for right of way capital cost for PROJECT and bear eighteen and one half percent (18.5%) of the actual expense thereof, but in no event shall CITY's total obligation for said PROJECT right of way capital costs under this Agreement exceed the amount of $1,255,000.

2. To deposit with STATE within twenty-five (25) days of receipt of billing therefor, the amount of $50,000, which figure represents CITY's share of the estimated initial deposit for two months estimated right of way capital and right of way acquisition required for PROJECT. CITY's total obligation for said anticipated PROJECT costs shall not exceed the amount of $1,255,000, provided that CITY may, at its sole discretion, in writing, authorize a greater amount.

3. To deposit with STATE not later than ten (10) working days preceding the beginning of each month, the estimated expenditure for right of way acquisition costs for that month, and to continue making such advance deposits on a monthly basis until completion of PROJECT.

4. To pay STATE upon completion of all work and within twenty (20) days of receipt of a detailed statement made upon final accounting of costs therefor, any amount over and above the aforesaid advance deposit required to complete CITY's financial obligation pursuant to this Agreement.

5. CITY will have first option to purchase at fair market value from STATE excess property from PROJECT that STATE may decide to sell. CITY agrees that the appraisal shall be completed by STATE for excess property.

6. To convey, at no cost to STATE, a portion of CITY's property (State Parcel Number 34008) to the STATE.

7. CITY authorizes STATE to use $5,019,000 of CITY's Federal Demonstration (TEA-21) Funds for PROJECT.

SECTION III

IT IS MUTUALLY AGREED:

1. All obligations of STATE under the terms of this Agreement are subject to the California appropriation of resources by the Legislature and the allocation of resources by the Transportation Commission.

2. Should any portion of PROJECT be financed with Federal funds or State gas tax funds, all applicable laws, rules and policies relating to the use of such funds shall apply notwithstanding other provisions of this Agreement.

3. CITY hereby waives all authority to administer the CITY's Federal Demonstration (TEA-21) funds for PROJECT and grants said authority to STATE, and STATE shall assume responsibility on CITY's behalf for securing, disbursing, and providing any administration required for said funds.

4. If termination of this Agreement is by mutual consent, STATE will bear 81.5% and City will bear 18.5% of all PROJECT related costs incurred by STATE prior to termination, except that any utility relocation costs shall be prorated in accordance with STATE's/CITY's responsibility for utility relocation costs.

5. If existing public and/or private utility facilities conflict with PROJECT construction or violate STATE's encroachment policy, STATE shall make all necessary arrangements with the owners of such facilities for their protection, relocation or removal. STATE shall inspect the protection, relocation or removal. If there are costs of such protection, relocation or removal which STATE and CITY must legally pay, STATE and CITY shall share in the cost of said protection, relocation or removal, plus cost of engineering overhead and inspection, in the amount of 81.5% STATE and 18.5% CITY. If any protection, relocation, or removal of utilities is required, such work shall be performed in accordance with STATE's policy and procedure for those facilities located within the limits of work providing for the improvement to the State highway and in accordance with CITY policy for those facilities outside of the limits of work providing for the improvement to the State highway.

6. Any hazardous material or contamination of an HM-1 category found within the existing State highway right of way during investigative studies requiring remedy or remedial action, as defined in Division 20, Chapter 6.8 et seq. of the Health and Safety Code, shall be the responsibility of STATE. Any hazardous material or contamination of an HM-1 category found within the local road right of way during investigative studies requiring the same defined remedy or remedial action shall be the responsibility of CITY. For the purpose of this Agreement, hazardous material or contamination of HM-1 category is defined as that level or type of contamination which State or Federal regulatory control agencies having jurisdiction have determined must be remediated by reason of its mere discovery, regardless of whether it is disturbed by PROJECT or not. If it is decided by STATE and CITY to not proceed with PROJECT, STATE shall sign the HM-1 manifest and pay all costs for required remedy or remedial action within the existing State highway right of way and CITY shall sign the HM-1 manifest and pay all costs for required remedy or remedial action within the local road right of way. If it is decided by said parties to proceed with PROJECT, STATE shall sign the HM-1 manifest for required remedy or remedial action within the existing State highway right of way and CITY shall sign the HM-1 manifest for required remedy or remedial action within the local road right of way. STATE and CITY shall share all costs for required remedy or remedial action in the same proportionate ratio as costs for right of way acquisition are shared as specified in Sections I and II of this Agreement.

7. If hazardous material or contamination of an HM-1 category is not found within the existing State highway right of way until after construction of PROJECT has commenced, STATE shall sign the HM-1 manifest and if hazardous material or contamination of an HM-1 category is not found within the local road right of way until after construction of PROJECT has commenced, CITY shall sign the HM-1 manifest. STATE and CITY shall share the costs for required remedy or remedial action in the same proportionate ratios as stated above in Article 7 above of this Section III when it was decided to proceed with PROJECT but prior to construction. If STATE determines, in its sole judgment, that costs for remedy or remedial action within and outside the existing State highway right of way are increased due to construction of PROJECT, all additional costs identified by STATE shall be borne by STATE.

8. The remedy or remedial action with respect to any hazardous material or contamination of an HM-2 category found within and outside the existing State highway right of way during investigative studies shall be the responsibility of STATE if PROJECT proceeds. For the purposes of this Agreement, any hazardous material or contamination of HM-2 category is defined as that level or type of contamination which said regulatory control agencies would have allowed to remain in place if undisturbed or otherwise protected in place had PROJECT not proceeded. STATE and CITY shall jointly sign the HM-2 manifest if PROJECT proceeds and HM-2 material shall be treated as required. STATE and CITY shall share all costs for required remedy or remedial action in the same proportionate ratio as costs for right of way acquisition are shared as specified in Sections I and II of this Agreement.

9. If hazardous material or contamination of an HM-2 category is not found within and outside the existing State highway right of way until after construction of PROJECT has commenced, STATE and CITY shall jointly sign the HM-2 manifest and share all costs for required remedy or remedial action in the same proportionate ratio as costs for right of way acquisition are shared as specified in Sections I and II of this Agreement.

10. Locations subject to remedy or remedial action and/or protection include utility relocation work required for PROJECT. Costs for remedy and remedial action and/or protection shall include but not be limited to, the identification, treatment, protection, removal, packaging, transportation, storage, and disposal of such material.

11. The party responsible for the hazardous material cleanup shall be responsible for the development of the necessary remedy and/or remedial action plans and designs.

12. Upon completion and acceptance of the PROJECT construction contract by STATE, STATE will accept control of and maintain, at its own cost and expense, those portions of PROJECT lying within STATE's right of way, except local roads delegated to CITY for maintenance. STATE will maintain, at STATE expense, the entire structure below the deck surface of any CITY local road over crossings.

13. CITY will accept control and maintain, at its own cost and expense, the portions of PROJECT lying outside of the STATE's right of way. Also, CITY will maintain, at CITY expense, local roads within STATE's right of way delegated to CITY for maintenance. CITY will also maintain remaining portions of the structure, including the deck surface and above, as well as all traffic service facilities that may be required for the benefit or control of CITY street traffic.

14. Execution of this Agreement by CITY grants to STATE the right to enter upon CITY owned lands as necessary to construct PROJECT.

15. The costs referred to herein cover only "matching funds" based on the assumption Federal-aid funds will be allocated for financing approximately 81.5% of the costs as shown on Exhibit A. In the event that Federal-aid participation is not secured, this Agreement may be terminated by either party at any time prior to award of the construction contract for PROJECT, or alternatively, each party's participation may be renegotiated to "make up" for the loss of Federal funds.

16. Upon completion of all work under this Agreement, ownership and title to materials, equipment and appurtenances installed within STATE's right of way will automatically be vested in STATE, and materials, equipment and appurtenances installed outside of STATE's right of way will be automatically vested in CITY. No further agreement will be necessary to transfer ownership as hereinabove stated.

17. Nothing in the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not parties to this Agreement or affect the legal liability of either party to the Agreement by imposing any standard of care with respect to the maintenance of State highways different from the standard of care imposed by law.

18. Neither STATE nor any officer or employee thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, CITY shall fully defend, indemnify and save harmless the State of California, all officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement.

19. Neither CITY nor any officer or employee thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by STATE under or in connection with any work, authority or jurisdiction delegated to STATE under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, STATE shall fully defend, indemnify and save harmless CITY, all officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by STATE under or in connection with any work, authority or jurisdiction delegated to STATE under this Agreement.

20. No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.

21. Except as otherwise provided in Article (5) of this Section III, that portion of Agreement pertaining to the PROJECT right of way capital cost shall terminate upon completion of right of way activities, or on April 01, 2014, whichever is earlier in time; however, the ownership, operation, maintenance, liability, and claims clauses shall remain in effect until terminated or modified in writing by mutual agreement. Should any right of way acquisition claim arising out of PROJECT be asserted against STATE or the cost of PROJECT increases beyond the funding obligation in this Agreement, CITY agrees to work with STATE to obtain the necessary funding to complete the right of way acquisition and extend the termination date of this Agreement.

015632

District Agreement No 03-0237

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

JEFF MORALES
Director of Transportation

By: Steven E. Kirkpatrick
STEVEN E. KIRKPATRICK, Chief
North Region Design & Engineering Services

Approved as to form and procedure:

Attorney
Department of Transportation

Certified as to funds:

District Project Control Officer

Certified as to financial terms and policies:

Accounting Administrator

CITY OF WOODLAND

By:
City Manager

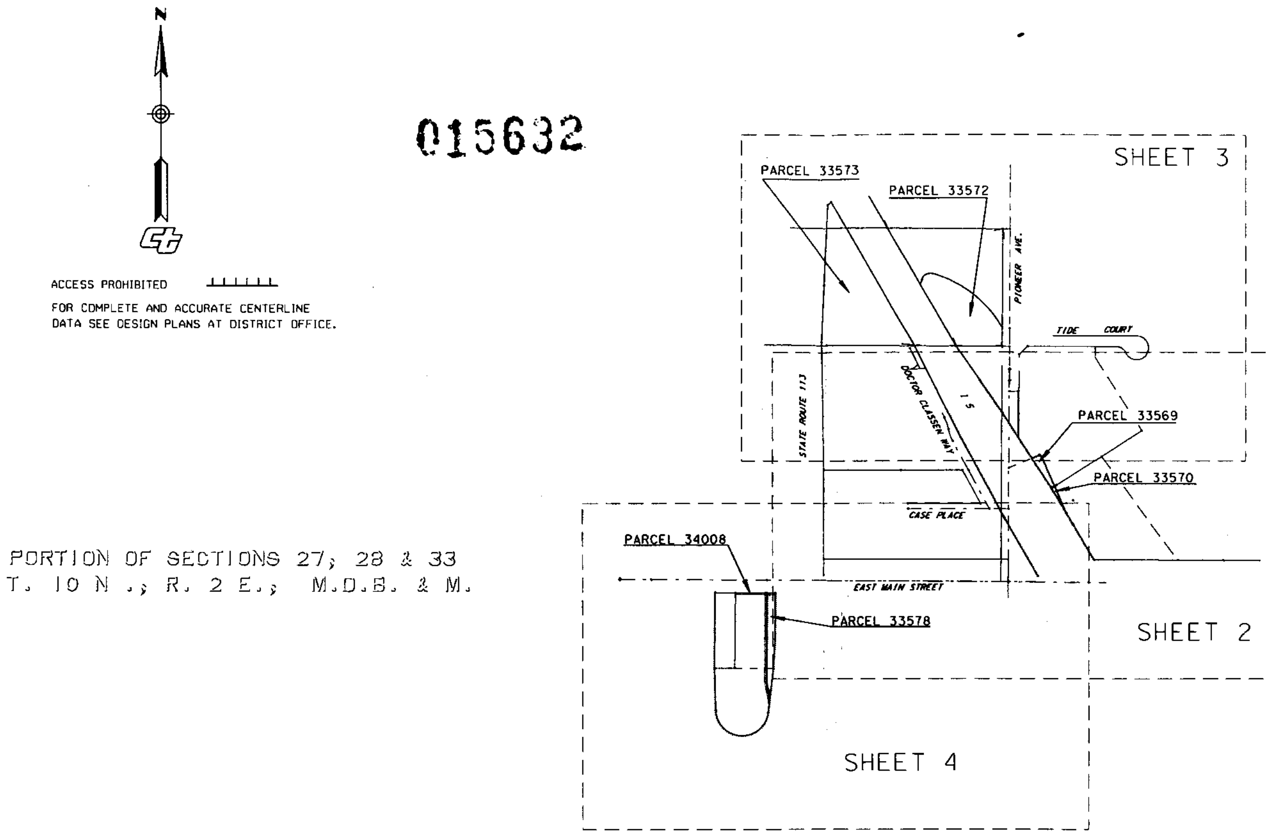
Attest: Susan L. Vannucci
City Clerk

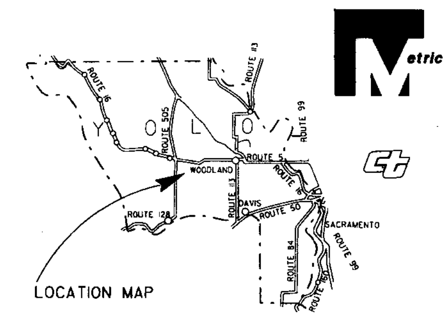
Approved as to form and procedure:

Ann M. Siprelle
Attorney (or Counsel)

EXHIBIT A

Right of Way Capital Costs	STIP-RIP Funds	Federal Demo (TEA-21) Funds	City Developer Fees	Total
State	526,000	5,019,000	0	5,545,000 (81.5%)
City	0	0	1,255,000	1,255,000 (18.5%)
TOTAL				**6,800,000 (100%)**





SHEET 1

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF TRANSPORTATION
DISTRICT 3
RIGHT OF WAY ENGINEERING

RIGHT OF WAY MAP

ORIGINAL SIGNED BY:
Thomas E. Dorsey
PROFESSIONAL LAND SURVEYOR
MAY 30, 2003
DATE

PROFESSIONAL LAND SURVEYOR
Thomas E. Dorsey
No. 6769
Exp. 9/30/04
STATE OF CALIFORNIA

The State of California or its officers or agents shall not be responsible for the accuracy or completeness of electronic copies of this plan sheet.

CO.	RTE.	P.M.	DRAWING NUMBER
YOL	5	6.0 - 7.0	R-374221-1

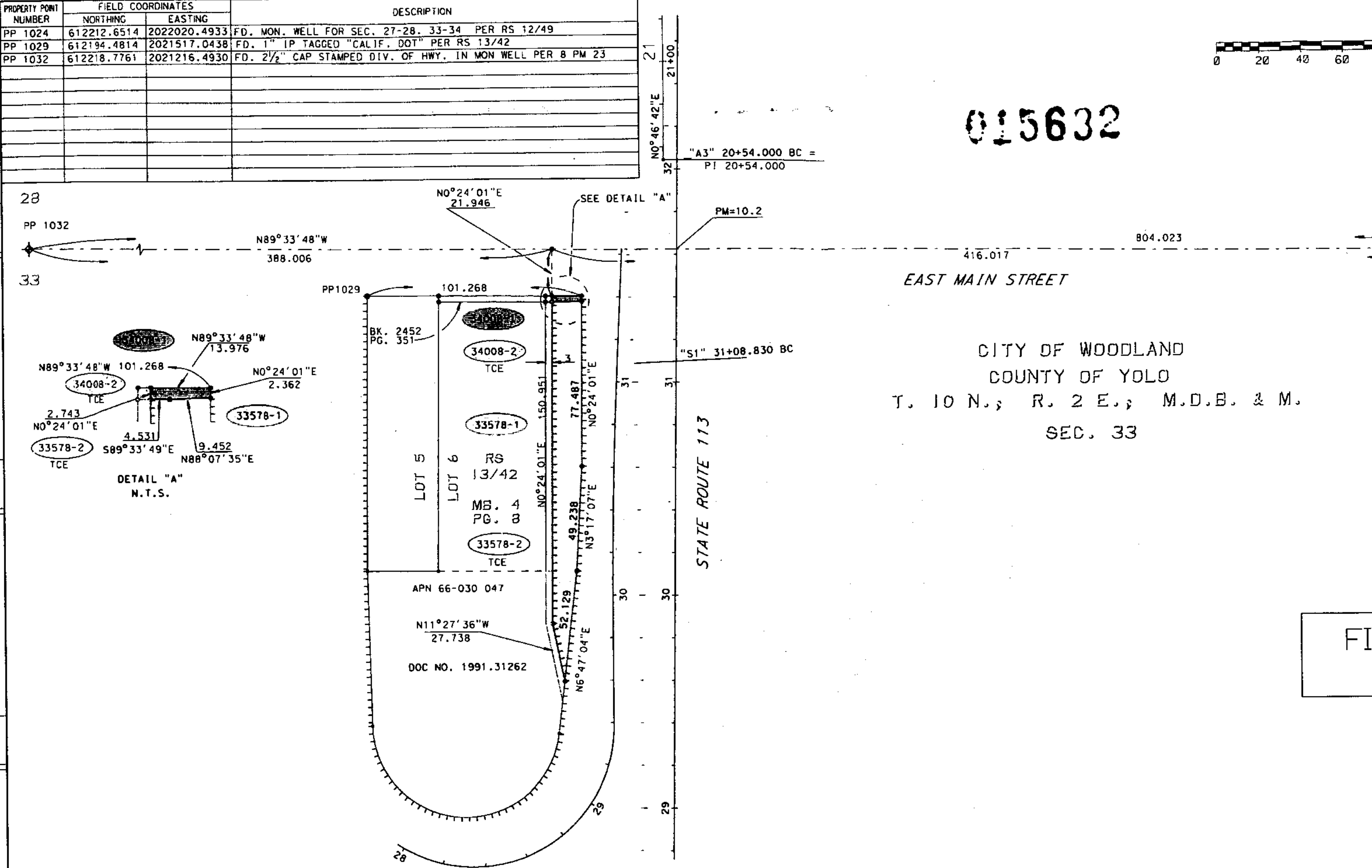
PROJECT SETUP POINT:

REVISIONS	DATE	REVISIONS	DATE	REVISIONS	DATE	REVISIONS	DATE

DIRECTORY
FILE NAME
MICROFILMED

PROPERTY POINT NUMBER	FIELD COORDINATES NORTHING	EASTING	DESCRIPTION
PP 1024	612212.6514	2022020.4933	FD. MON. WELL FOR SEC. 27-28. 33-34 PER RS 12/49
PP 1029	612194.4814	2021517.0438	FD. 1" IP TAGGED "CALIF. DOT" PER RS 13/42
PP 1032	612218.7761	2021216.4930	FD. 2½" CAP STAMPED DIV. OF HWY. IN MON WELL PER 8 PM 23

015632



0 20 40 60 80 100

N

Metric

NOTE:
COORDINATES, BEARINGS AND DISTANCES ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 2, AS DETERMINED BY TIES TO THE CALIFORNIA HIGH PRECISION GEODETIC NETWORK, EPOCH 1991.35. DISTANCES ARE IN METERS UNLESS OTHERWISE NOTED. MULTIPLY DISTANCES BY 1.000057843 TO OBTAIN GROUND LEVEL DISTANCES. TO CONVERT METERS TO THE U.S. SURVEY FOOT MULTIPLY DISTANCES BY 3937/1200.

ACCESS PROHIBITED

FOR COMPLETE AND ACCURATE CENTERLINE DATA SEE DESIGN PLANS AT DISTRICT OFFICE.

FINAL APPRAISAL MAPS

SHEET 4

PARCEL NO.	GRANTOR	AREAS REQUIRED SQ. METERS	(SQ. FEET)	REMAINDER SQ. METERS	(SQ. FEET)	TOTAL SQ. METERS	(SQ. FEET)	EXCESS SQ. METERS	(SQ. FEET)	U.F.	RECORDATION INSTR	DATE	O.R.	REMARKS
33578-1	Orrick Joint Venture L.P.	2074	22323			18246	196396			Y				
33578-2	Orrick Joint Venture L.P.	551	5927											TCE
[redacted]														
34008-2	City of Woodland	8	89											TCE

REVISIONS | DATE

DIRECTORY | FILE NAME | MICROFILMED

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF TRANSPORTATION
DISTRICT 3
RIGHT OF WAY ENGINEERING

RIGHT OF WAY MAP

ORIGINAL SIGNED BY:
Thomas E. Dorsey
PROFESSIONAL LAND SURVEYOR
MAY 14, 2003
DATE

PROFESSIONAL LAND SURVEYOR
Thomas E. Dorsey
No. 6769
Exp. 9/30/04
STATE OF CALIFORNIA

The State of California or its officers or agents shall not be responsible for the accuracy or completeness of electronic copies of this plan sheet.

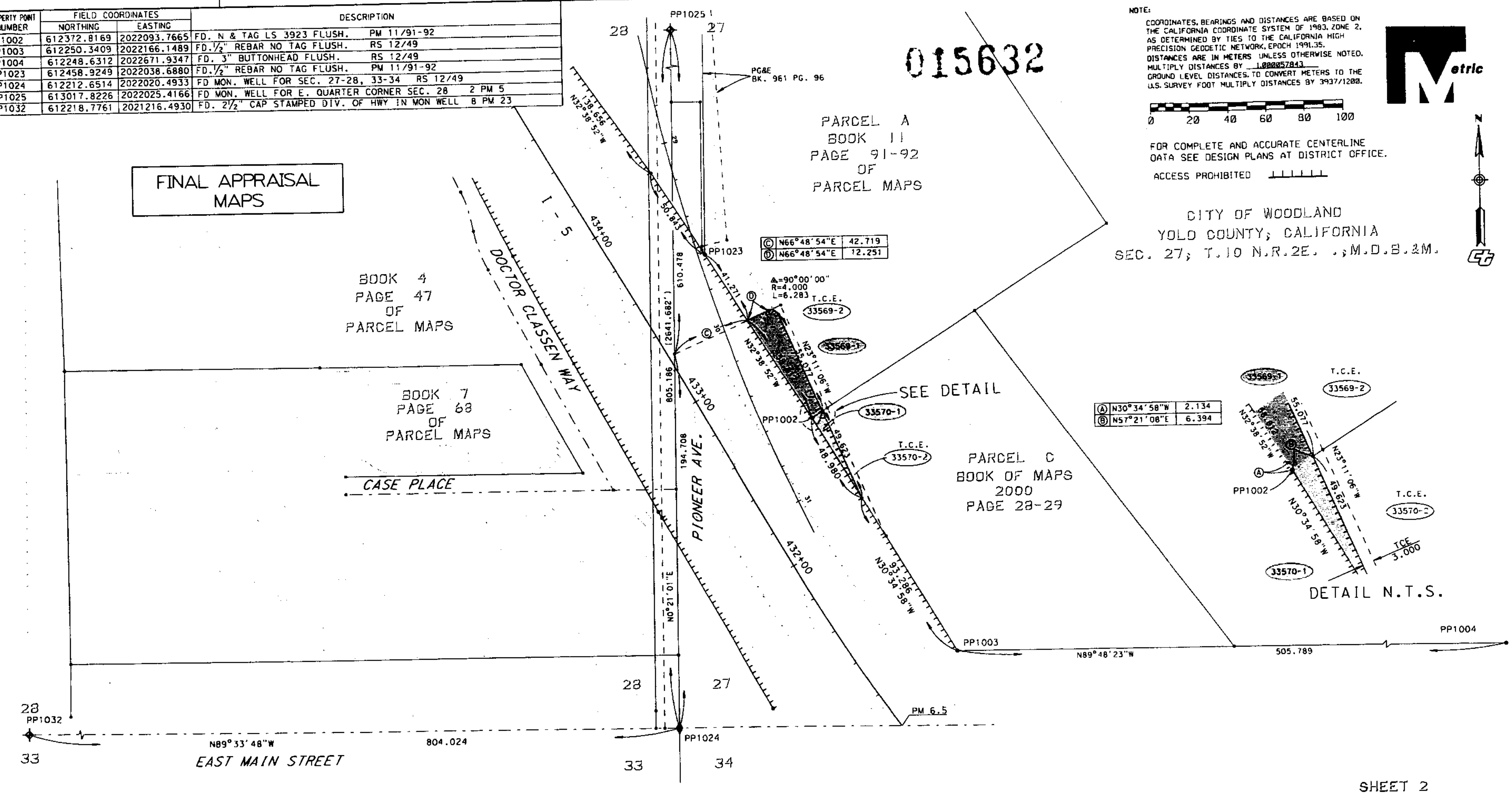
CO.	RTE.	P.M.	DRAWING NUMBER
Yol	113	10.2	R-374221-4

PROJECT SETUP POINT:

015632

PROPERTY POINT NUMBER	FIELD COORDINATES NORTHING	FIELD COORDINATES EASTING	DESCRIPTION
PP1002	612372.8169	2022093.7665	FD. N & TAG LS 3923 FLUSH. PM 11/91-92
PP1003	612250.3409	2022166.1489	FD. 1/2" REBAR NO TAG FLUSH. RS 12/49
PP1004	612248.6312	2022671.9347	FD. 3" BUTTONHEAD FLUSH. RS 12/49
PP1023	612458.9249	2022038.6880	FD. 1/2" REBAR NO TAG FLUSH. PM 11/91-92
PP1024	612212.6514	2022020.4933	FD MON. WELL FOR SEC. 27-28, 33-34 RS 12/49
PP1025	613017.8226	2022025.4166	FD MON. WELL FOR E. QUARTER CORNER SEC. 28 2 PM 5
PP1032	612218.7761	2021216.4930	FD. 2 1/2" CAP STAMPED DIV. OF HWY IN MON WELL 8 PM 23

FINAL APPRAISAL MAPS



Ⓒ	N66°48'54"E	42.719
Ⓓ	N66°48'54"E	12.251

Ⓐ	N30°34'58"W	2.134
Ⓑ	N57°21'08"E	6.394

NOTE:
COORDINATES, BEARINGS AND DISTANCES ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 2, AS DETERMINED BY TIES TO THE CALIFORNIA HIGH PRECISION GEODETIC NETWORK, EPOCH 1991.35. DISTANCES ARE IN METERS UNLESS OTHERWISE NOTED. MULTIPLY DISTANCES BY 1.000057843 GROUND LEVEL DISTANCES. TO CONVERT METERS TO THE U.S. SURVEY FOOT MULTIPLY DISTANCES BY 3937/1200.

0 20 40 60 80 100

FOR COMPLETE AND ACCURATE CENTERLINE DATA SEE DESIGN PLANS AT DISTRICT OFFICE.

ACCESS PROHIBITED

Metric

CITY OF WOODLAND
YOLO COUNTY, CALIFORNIA
SEC. 27, T.10 N.R.2E., M.D.B.&M.

SHEET 2

PARCEL NO.	GRANTOR	REQUIRED SQ. METERS	REQUIRED (SQ. FEET)	REMAINDER SQ. METERS	REMAINDER (SQ. FEET)	TOTAL SQ. METERS	TOTAL (SQ. FEET)	EXCESS SQ. METERS	EXCESS (SQ. FEET)	U.F.	RECORDATION INSTR	RECORDATION DATE	RECORDATION O. R.	REMARKS
33569-1	RICHMOND EDMUND	669	7203			34054	366557			Y				
33569-2	RICHMOND EDMUND	180	1937											TCE
33570-1	PCD INVESTMENT	157	1684			197876	2129910			Y				
33570-2	PCD INVESTMENT	184	1984											TCE

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF TRANSPORTATION
DISTRICT 3
RIGHT OF WAY ENGINEERING

RIGHT OF WAY MAP

ORIGINAL SIGNED BY: Thomas E. Dorsey
PROFESSIONAL LAND SURVEYOR
January 06, 2003
DATE

PROFESSIONAL LAND SURVEYOR Thomas E. Dorsey No. 6769 Exp. 9/30/04 STATE OF CALIFORNIA

The State of California or its officers or agents shall not be responsible for the accuracy or completeness of electronic copies of this plan sheet.

CO.	RTE.	K.P./P.M.	DRAWING NUMBER
Yol	5	6.5	R-374221-2

PROJECT SETUP POINT:

REVISIONS DATE
REVISIONS DATE
REVISIONS DATE
REVISIONS DATE

DIRECTORY
FILE NAME
MICROFILMED

PROPERTY POINT NUMBER	FIELD COORDINATES NORTHING	EASTING	DESCRIPTION	
PP 1024	612212.651	2022020.493	CASED MONUMENT	2 PM 5
PP 1025	613017.823	2022025.417	CASED MONUMENT	2 PM 5

015632

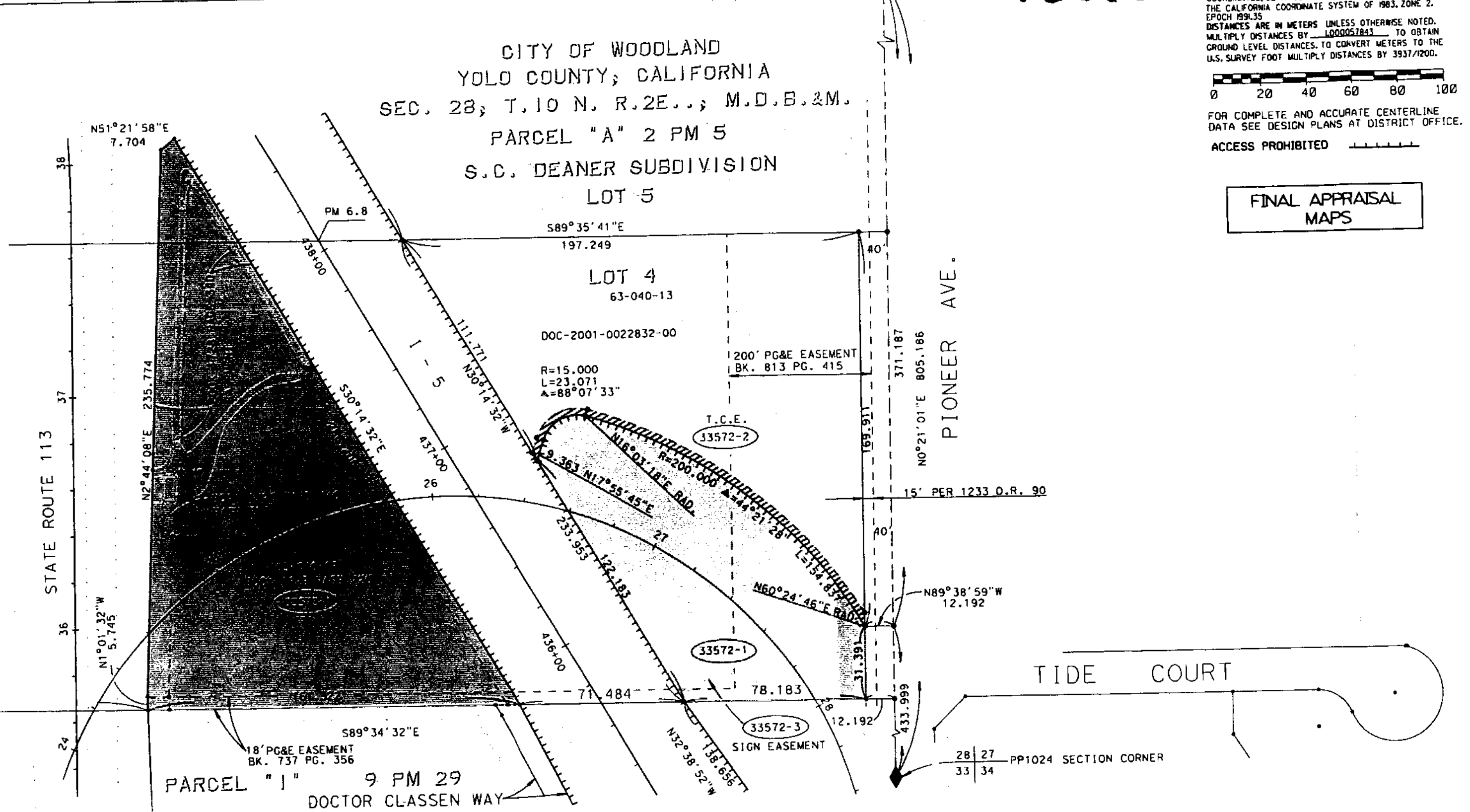
NOTE:
COORDINATES, BEARINGS AND DISTANCES ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 2. EPOCH 1991.35
DISTANCES ARE IN METERS UNLESS OTHERWISE NOTED. MULTIPLY DISTANCES BY 1.000057843 TO OBTAIN GROUND LEVEL DISTANCES. TO CONVERT METERS TO THE U.S. SURVEY FOOT MULTIPLY DISTANCES BY 3937/1200.

0 20 40 60 80 100

FOR COMPLETE AND ACCURATE CENTERLINE DATA SEE DESIGN PLANS AT DISTRICT OFFICE.

ACCESS PROHIBITED

FINAL APPRAISAL MAPS



PARCEL NO.	GRANTOR	REQUIRED SQ. METERS	REQUIRED (SQ. FEET)	REMAINDER SQ. METERS	REMAINDER (SQ. FEET)	TOTAL SQ. METERS	TOTAL (SQ. FEET)	EXCESS SQ. METERS	EXCESS (SQ. FEET)	U.F.	INSTR	DATE	O.R.	REMARKS
33572-1	Morgan Jeffrey	10046	108130	17674	190242	27720	298372			Y				TCE
33572-2	Morgan Jeffrey	560	6033											SIGN EASEMENT
33572-3	Morgan Jeffrey	NA	NA			20601	221742			Y				
[illegible]	Donald L. Valk	20601	221742											

DATE	REVISIONS
5/20/03	PCL 33572 reversed required & remainder

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF TRANSPORTATION
DISTRICT 3
RIGHT OF WAY ENGINEERING

RIGHT OF WAY MAP

Original signed by:
Thomas E. Dorsey
PROFESSIONAL LAND SURVEYOR
MARCH 28, 2003
DATE

PROFESSIONAL LAND SURVEYOR — Thomas E. Dorsey — No. 6769 — Exp. 9/30/04 — STATE OF CALIFORNIA

The State of California or its officers or agents shall not be responsible for the accuracy or completeness of electronic copies of this plan sheet.

CO.	RTE.	K.P./P.M.	DRAWING NUMBER
YOL	5	6.8	R-374221-3

PROJECT SETUP POINT:

DIRECTORY
FILE NAME
MICROFILMED

015632

RESOLUTION NO. 4474

A RESOLUTION APPROVING THE COOPERATIVE AGREEMENT WITH CALTRANS FOR RIGHT-OF-WAY ACQUISITION AT THE I-5/STATE ROUTE 113 INTERCHANGE AND AUTHORIZING THE MAYOR TO EXECUTE THE COOPERATIVE AGREEMENT ON BEHALF OF THE CITY OF WOODLAND

WHEREAS, the City's Streets Master Plan identifies the I-5 & State Route 113 Interchange Improvement Project; and

WHEREAS, the City has identified that improvements at the I-5 & State Route 113 Interchange are necessary for the safe and efficient movement of people and goods; and

WHEREAS, the City has worked cooperatively with Caltrans to design the intersection improvements; and

WHEREAS, the cost of the right-of-way acquisition is identified in the Capital Budget; and

WHEREAS, Caltrans has agreed to contribute 81.5% percent of the right-of-way acquisition costs;

NOW THEREFORE BE IT RESOLVED, that the Cooperative Agreement for the I-5 & State Route 113 Interchange Project right-of-way acquisition for the connector ramp from northbound I-5 to southbound SR 113 is hereby approved and that the Mayor is authorized to execute said document in behalf of the City of Woodland.

PASSED AND ADOPTED on September 16, 2003. I, the undersigned, hereby certify that the foregoing Resolution was duly adoptedc by the Woodland City Council by the following roll call vote:

AYES: Council Members Dote, Monroe, Peart, Rexroad, Flory
NOES: None
ABSENT: None
ABSENTIONS: None

DAVID M. FLORY, MAYOR

ATTEST:

SUSAN L. VANNUCCI, CITY CLERK

015632

STATE OF CALIFORNIA)
COUNTY OF YOLO) SS.
CITY OF WOODLAND)

I, Susan L. Vannucci, the duly qualified and appointed City Clerk of the City of Woodland, do hereby certify that the foregoing "Resolution 4474, "A Resolution Approving the Cooperative Agreement with CalTrans for Right-of-Way Acquisition at the I-5/State Route 113 Interchange and Authorizing the Mayor to Execute the Cooperative Agreement on Behalf of the City of Woodland", is a true and correct copy of said Resolution and was unanimously adopted by the City Council of the City of Woodland at their meeting of September 16, 2003.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of the City of Woodland this 23rd day of September, 2003

Susan L. Vannucci

Susan L. Vannucci, CMC, City Clerk
City of Woodland

Legislation Text

File #: 13-264, Version: 1

City of Woodland

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013

SUBJECT: Side Letter of Agreement with Woodland City Employee Association Regarding Implementation for PERS Health Plan Coverage

Recommendation for Action

Staff recommends that the City Council approve Side Letter of Agreement with Woodland City Employee Association (WCEA) delaying the implementation of the 80%/20% cost share for PERS health plan coverage from January 2016 to January 2017.

Staff Contact

Sheila McShane, Human Resources Manager - 530-661-5807, Sheila.mcshane@cityofwoodland.org

Fiscal Impact

Delaying the implementation of the 80%/20% cost share of the PERS health plan coverage by once year would have a one-time fiscal impact of approximately$121,000 ($48,000 General Fund) in FY 2015/16. The overall savings from the underlying Memorandum of Understanding (MOU) with WCEA would be reduced from 8.87% to 7.89% for the term of the contract. The savings, however are merely deferred by one year, and would be realized in the subsequent fiscal year.

Discussion

The City and the Woodland City Employee Association (WCEA) meet to discuss delaying the implementation of the next step of the PERS health plan coverage cost share.

WCEA agreed to implement the PERS health plan coverage cost share in three steps. The third step, the 80%/20% cost share was negotiated to be effective January 1, 2016. However, the City and WCEA met to discuss delaying the implementation of the PERS health plan cost share by one year in order to be consistent with other Employee Agreements recently negotiated with the City. The 80%/20% PERS cost share will be implemented effective January 1, 2017. This provision will take effect with or without an agreement on a successor MOU.

Conclusion

Staff recommends that the City Council approve the Side Letter of Agreement with Woodland City Employee Association (WCEA) delaying the implementation of the 80%/20% cost share for PERS health plan coverage.

Prepared by: Sheila McShane
Human Resources Manager

Paul Navazio, City Manager

Attachment: WCEA Side Letter

City of Woodland

HUMAN RESOURCES | 300 FIRST STREET | WOODLAND, CA 95695
(530) 661-5811 | (530) 661-5813 FAX | http://www.cityofwoodland.org

DATE: October 1, 2013

TO: Marie Wickstorm, WCEA President
Dr. David Swim, D. P. A., Goyette & Associates

FROM: Sheila McShane, Human Resources Manager

SUBJECT: MOU SIDE LETTER OF AGREEMENT

This letter serves to memorialize our agreement related to the implementation of cost-sharing for health insurance premiums. The following modifications shall be made to the Memorandum of Understanding, covering the period from July1, 2012 to June 30, 2016, between the City of Woodland (City) and Woodland City's Employee Association (WCEA).

- The City and WCEA agree to defer for 12 months - from January 1, 2016 to January 1, 2017 - the implementation of the 80%/20% cost-share for PERS health plan coverage. As such, Sections 4.1.2.5 and 4.1.3.5 of the MOU shall be superseded by the following language:
  - Effective January 1, 2017 the City shall pay an amount equal to 80% of the third highest CalPERS health plan available in the region Woodland is located in, currently the Bay Area region, excluding PERSCare. Additionally, the City's total contribution toward health plan premiums shall be capped at the agreed upon percentage applied to a 12% increase in the base premium from year to year.

Both parties stipulate to this change, which defers the 80/20 cost-share for 12-months, without regard to the fact that the underlying MOU expires on June 30, 2016. This provision will take effect with or without an agreement on a successor MOU, and without any additional considerations that may be subject to negotiations related to a successor MOU.

Agreed to this Date: ___________________

For the City of Woodland

____
Paul Navazio, City Manager

For the Woodland City Employees' Association

____
Marie Wickstorm, WCEA President

____
David Swim, D.P. A., Goyette & Associates

Legislation Text

File #: 13-268, Version: 1

City of Woodland

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013
SUBJECT: Resolution in Support of the Mayor’s Task Force on Homeless Issues and Needs

Recommendation for Action
Staff recommends that the City Council adopt Resolution No. ____ supporting the efforts of the Mayor’s Task Force on Homeless Issues and Needs to inform the public of appropriate, sensitive and compassionate response to homelessness.

Staff Contact
Paul Navazio, City Manager - (530)661-5800, paul.navazio@cityofwoodland.org
Fiscal Impact

There is no direct fiscal impact to the City related to this action.

Background

At the City Council meeting of September 17 th the Mayor provided the City Council with an update on the activities of the Mayor’s Task Force on Homeless Issues and Needs, including the development of a public education campaign to promote appropriate responses to panhandling and inform the public of services available throughout the community to address the needs of the city’s homeless population.

The Mayor requested that the Council consider approving a resolution to lend support to the Task Force’s efforts to educate the community on issues related to homelessness within the community.

Conclusion

It is recommended that the City Council adopt Resolution No. ____ supporting the efforts of the Mayor’s Task Force on Homeless Issues and Needs to inform the public of appropriate, sensitive and compassionate response to homelessness.

Paul Navazio, City Manager

Attachment - Resolution

RESOLUTION NO. _______

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND IN SUPPORT OF THE MAYOR'S TASK FORCE ON HOMELESS ISSUES AND NEEDS

WHEREAS, in November of 2012 Mayor Marlin 'Skip' Davies convened a Task Force on Homeless Issues and Needs to explore both the causes of homelessness as well as evaluate the community's response to issues related to homelessness; and

WHEREAS, the Task Force has been comprised of representatives from throughout the community, including the City of Woodland, Yolo County Health Department, community service organizations, Chamber of Commerce, Downtown Business Association, as well as the faith community; and

WHEREAS, among the issues discussed by the Task Force is the increasing prevalence of panhandling in and around the downtown and other commercial centers; and

WHEREAS, in response, the Task Force has developed a public education campaign to inform the public of appropriate, sensitive and compassionate response to homelessness;

NOW, THEREFORE, BE IT RESOLVED, the City Council hereby lends its support to the efforts of the Mayor's Task Force on Homeless Issues and Needs to discourage panhandling and provide information on services available to meet the needs of Woodland's homeless population.

PASSED AND ADOPTED this ___ day of October, 2013 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Marlin H. "Skip" Davies, Mayor

ATTEST:

____
Ana B. Gonzalez, City Clerk

APPROVED AS TO FORM:

____
Kara K. Ueda, City Attorney

Legislation Text

File #: 13-251, Version: 1

City of Woodland

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013
SUBJECT: Receive Information on Police Department's Predictive Policing Program

Recommendation for Action
Staff recommends that the City Council receive information regarding predictive policing, and, if appropriate, provide comments and/or direction.

Staff Contact
Dan Bellini, Public Safety Chief - 661-7865, dan.bellini@cityofwoodland.org
Council Goal

Predictive Policing is consistent with the City's goal of maintaining and enhancing Woodland's quality of life by ensuring the highest level of public safety.

Fiscal Impact

The Predictive Policing software costs $25,000 per year. Funds for the program are provided by the Police Department's share of State AB 109 funding dedicated to frontline law enforcement. This funding is guaranteed for three years. This expenditure was already approved through the FY13/14 budget.

Background

In February 2013, staff presented the year-end report for the police department for 2012. In 2012, the City of Woodland experienced significant increases in calls for service (14.7% increase) and Part 1 crimes with a 44.8% increase in property crimes, a 54.2% increase in motor vehicle theft, and a 12.2% increase in aggravated assaults. This trend has continued thus far into 2013. Through the first seven months of this year, calls for service have increased 13% when compared to the same time period in 2012. Additionally, property crimes have increased an additional 19.4%, motor vehicle thefts have increased 1.7%, and aggravated assaults have increased 84%.

Discussion

Predictive policing was developed over the course of six years by a team of PhD mathematicians and social scientists at UCLA, Santa Clara University and UC Irvine in close collaboration with crime analysts and officers from the Los Angeles and Santa Cruz Police Departments. The mission of predictive policing is simple: to place officers at the right time and location to give them the best chance of preventing crime. To accomplish this, predictive policing processes crime data and assigns probabilities of future crime events to regions of space and time.

Crime mapping has long been a tool used to determine crime patterns. This process relies on humans to recognize patterns and allocate resources based on past crimes rather than predicted future offenses. Based on models for predicting aftershocks from earthquakes, predictive policing generates projections about which areas and windows of time are at highest risk for future crimes by analyzing and detecting patterns in years of past crime data. The projections are recalibrated daily as new crimes occur and updated data is fed into the program.

Predictive policing was tested by the Santa Cruz Police Department and the Foothill Division of the Los Angeles Police Department. Santa Cruz PD experienced a 19% decrease in burglaries. The Foothill Division experienced a 36% decrease in burglaries and a 13% decrease in crime overall while the rest of the city experienced a .4% increase in crime.

Conclusion

Staff recommends that the City Council receive information regarding predictive policing, and, if appropriate, provide comments and/or direction.

Prepared by: Dan Bellini
Public Safety Chief

Paul Navazio, City Manager

File #: 13-255, Version: 1

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013

SUBJECT: $30,100,034 City of Woodland Community Facilities District 2004-1 (Spring Lake) Special Tax Refunding Bonds, Series 2013

Recommendation for Action

Staff recommends that the City Council adopt Resolution No. ____ (1) authorizing the execution and delivery of a Fiscal Agent Agreement, a Placement Agent Agreement, and an Escrow Agreement; (2) authorizing the issuance of refunding bonds; and (3) approving certain other actions related thereto.

Staff Contact

Kimberly McKinney, Finance Officer - (530) 661-5849, Kimberly.mckinney@cityofwoodland.org

Fiscal Impact

There is no fiscal impact to the City related to this action. However, issuance of refunding bonds will ultimately result in lower cost of debt to the property owners in Spring Lake. Additionally, elimination of current document restrictions will allow future financing opportunities to be available as needed, which could help move development forward more quickly.

Background

In 2004, the City of Woodland issued $33,050,000 of Community Facilities District 2004-1 (Spring Lake) Special Tax bonds. The proceeds of the 2004 Bonds were used to: (1) provide funds to finance the construction and acquisition of certain public improvements in the City's Community Facilities District No. 2004-1 (Spring Lake Specific Plan); (2) fund a Bond Reserve Fund for the 2004 Bonds; (3) fund capitalized interest on the 2004 Bonds through September 1, 2005; and (4) pay certain costs associated with the issuance of the 2004 Bonds.

The remaining outstanding principal on the 2004 bonds is currently $27,560,000, with interest rates ranging from 4.70% in 2014 to 6.25% in 2034.

Discussion

The financing team was working on a public offering to refund the 2004 Bonds, but over the last three months municipal market interest rates have increased considerably making that refunding alternative no longer viable. The team then turned its attention to a private placement with a commercial bank or other financial institution. While the District credit is quite strong, unfortunately the remaining term of the Bonds exceeds the normal private placement term used by the banks of 10-15 years. However, Western Alliance Bancorporation (the "Bank") expressed an interest in purchasing the bonds and is willing to go out 21-years. The downside of this is that the Bank has proposed a yield maintenance call that will essentially make the bonds non-callable for the remainder of the term. This means the bonds cannot be refinanced again in the future. However, the proposed interest rate (4.50%) is quite attractive and does provide significant savings. Based upon current market conditions, the results of the proposed refinancing are as follows:

Outstanding Amount:	$27,560,000	(2004 Bonds)
Refinancing Amount:	$30,100,034	(Estimate)
Total Cash Flow Savings:	$2,591,862	(Including All Costs)
Average Annual Savings:	$123,422	(Including All Costs)
Net Present Value Savings:	$1,568,517	(Including All Costs)
Net Present Value Savings % New:	5.21%	
Net Present Value Savings % Prior:	5.69%(*)	
Average Interest Rate (Prior):	6.108%	
Average Interest Rate (New):	4.500%	
Final Maturity (New and Prior):	9/1/2034	

*Net present value savings in excess of 3.00% of the prior bonds are generally considered significant.

Pursuant to the Fiscal Agent Agreement for the 2004 Bonds, the City was restricted from issuing a second series of bonds, on parity with the 2004 Bonds, until at least 700 permits of single-family dwelling units were issued within the District. That unit restriction has been met and the City can issue bonds now. However, after that issuance, the City will be once again be restricted from issuing another series of bonds, on parity with the 2004 Bonds, until such time as 1,400 permits are issued within the District. Given the unpredictability of development in Spring Lake, it could be quite a period of time until that threshold is met. A refunding of the 2004 Bonds will eliminate these document restrictions all together.

In order to overcome the document restrictions and the general market discomfort for land-secured bonds after the financial and real estate crises, the City designed and the City Council implemented the Spring Lake private placement subordinate bond program. The concept is to keep development moving by providing financing to those developers wishing to move forward now, while not using the one bonding opportunity available under the current development status (this would restrict other developers from issuing bonds until 1,400 permits have been issued). Under the program, the developers purchase and own their own bonds until such time as they can be taken out with parity bonds. These subordinate private placement bonds are not issued under the 2004 Bond documents and are thereby not subject to the same restrictions. There have been two series of bonds issued under the subordinate private placement bond program

$1,506,300	$1,226,900
City of Woodland	City of Woodland
CFD No. 2004-1	CFD No. 2004-1

Subordinate Special Tax Bonds, Series 2013A
(Access Land Co.)

Subordinate Special Tax Bonds, Series 2013B
(Turn of the Century)

In addition, there are two other subordinate private placement bonds contemplated over the next few months for Cal West and Pioneer Investors.

The concept is to pool these subordinate private placement bonds in enough size to justify the costs of issuing publicly offered bonds. The good news is that development is starting to accelerate and bond investors are much more comfortable with land-secured districts with good credits such as Spring Lake. The refunding bonds will not have any of these same unit restrictions and it is contemplated that the subordinate private placement bond program will continue. Future bonds will be brought back to the City Council, as needed, to either pay off the outstanding subordinate private placement bonds or to provide new money capital.

Below is a table showing the interest rates and debt service on the remaining 2004 Bonds:

City of Woodland

CFD No. 2004-1 (Spring Lake)

Special Tax Refunding Bonds, Series 2013

Gross Debt Service Schedule (Prior Issue)

Date	Principal	Rate	Interest	Annual Debt Service
09/01/13				
09/01/14	730,000	4.700	1,637,927.50	2,367,927.50
09/01/15	765,000	4.900	1,603,617.50	2,368,617.50
09/01/16	800,000	5.100	1,566,132.50	2,366,132.50
09/01/17	845,000	5.250	1,525,332.50	2,370,332.50
09/01/18	890,000	5.400	1,480,970.00	2,370,970.00
09/01/19	930,000	5.550	1,432,910.00	2,362,910.00
09/01/20	985,000	5.700	1,381,295.00	2,366,295.00
09/01/21	1,040,000	6.000	1,325,150.00	2,365,150.00
09/01/22	1,105,000	6.000	1,262,750.00	2,367,750.00
09/01/23	1,170,000	6.000	1,196,450.00	2,366,450.00
09/01/24	1,240,000	6.000	1,126,250.00	2,366,250.00
09/01/25	1,315,000	6.000	1,051,850.00	2,366,850.00
09/01/26	1,395,000	6.000	972,950.00	2,367,950.00
09/01/27	1,480,000	6.000	889,250.00	2,369,250.00
09/01/28	1,570,000	6.000	800,450.00	2,370,450.00
09/01/29	1,605,000	6.250	706,250.00	2,311,250.00
09/01/30	1,710,000	6.250	605,937.50	2,315,937.50
09/01/31	1,820,000	6.250	499,062.50	2,319,062.50
09/01/32	1,930,000	6.250	385,312.50	2,315,312.50
09/01/33	2,055,000	6.250	264,687.50	2,319,687.50
09/01/34	2,180,000	6.250	136,250.00	2,316,250.00
Total	27,560,000		21,850,785.00	49,410,785.00

*2029 - 2034 debt service is estimated

Below is a table showing the interest rates and debt service on the proposed refinancing:

City of Woodland

CFD No. 2004-1 (Spring Lake)

Special Tax Refunding Bonds, Series 2013

Gross Debt Service Schedule

Date	Principal	Rate	Interest	Annual Debt Service
10/15/13				
09/01/14	1,054,766	4.500	1,188,951.34	2,243,717.34
09/01/15	937,334	4.500	1,307,037.06	2,244,371.06
09/01/16	977,159	4.500	1,264,857.03	2,242,016.03
09/01/17	1,025,111	4.500	1,220,884.88	2,245,995.88
09/01/18	1,071,845	4.500	1,174,754.88	2,246,599.88
09/01/19	1,112,441	4.500	1,126,521.86	2,238,962.86
09/01/20	1,165,708	4.500	1,076,462.01	2,242,170.01
09/01/21	1,217,080	4.500	1,024,005.15	2,241,085.15
09/01/22	1,274,312	4.500	969,236.55	2,243,548.55
09/01/23	1,330,424	4.500	911,892.51	2,242,316.51
09/01/24	1,390,104	4.500	852,023.43	2,242,127.43
09/01/25	1,453,227	4.500	789,468.75	2,242,695.75
09/01/26	1,519,665	4.500	724,073.54	2,243,738.54
09/01/27	1,589,281	4.500	655,688.61	2,244,969.61
09/01/28	1,661,936	4.500	584,170.97	2,246,106.97
09/01/29	1,680,629	4.500	509,383.85	2,190,012.85
09/01/30	1,760,699	4.500	433,755.54	2,194,454.54
09/01/31	1,842,891	4.500	354,524.09	2,197,415.09
09/01/32	1,922,268	4.500	271,593.99	2,193,861.99
09/01/33	2,012,915	4.500	185,091.93	2,198,006.93
09/01/34	2,100,239	4.500	94,510.76	2,194,749.76
Total	30,100,034		16,718,888.70	46,818,922.70

Below is a table showing the detailed cash flow savings (including all costs):

City of Woodland

CFD No. 2004-1 (Spring Lake)

Special Tax Refunding Bonds, Series 2013

Debt Service Savings Calculation (NPV Basis)

Date	Prior Issue Debt Service	New Issue Debt Service	Annual (Savings) / Cost	4.50051 Present Value
10/15/13				
09/01/14	2,367,927.50	2,243,717.34	(124,210.16)	(126,100.55)
09/01/15	2,368,617.50	2,244,371.06	(124,246.44)	(117,354.24)
09/01/16	2,366,132.50	2,242,016.03	(124,116.47)	(112,177.89)
09/01/17	2,370,332.50	2,245,995.88	(124,336.63)	(107,510.05)
09/01/18	2,370,970.00	2,246,599.88	(124,370.12)	(102,873.07)
09/01/19	2,362,910.00	2,238,962.86	(123,947.15)	(98,070.85)
09/01/20	2,366,295.00	2,242,170.01	(124,124.99)	(93,919.85)
09/01/21	2,365,150.00	2,241,085.15	(124,064.85)	(89,759.91)
09/01/22	2,367,750.00	2,243,548.55	(124,201.45)	(85,886.81)
09/01/23	2,366,450.00	2,242,316.51	(124,133.49)	(82,039.42)
09/01/24	2,366,250.00	2,242,127.43	(124,122.57)	(78,389.86)
09/01/25	2,366,850.00	2,242,695.75	(124,154.25)	(74,917.64)
09/01/26	2,367,950.00	2,243,738.54	(124,211.47)	(71,603.05)
09/01/27	2,369,250.00	2,244,969.61	(124,280.39)	(68,430.39)
09/01/28	2,370,450.00	2,246,106.97	(124,343.04)	(65,383.62)
09/01/29	2,311,250.00	2,190,012.85	(121,237.16)	(60,897.61)
09/01/30	2,315,937.50	2,194,454.54	(121,482.96)	(58,231.65)
09/01/31	2,319,062.50	2,197,415.09	(121,647.42)	(55,630.67)
09/01/32	2,315,312.50	2,193,861.99	(121,450.51)	(52,974.37)
09/01/33	2,319,687.50	2,198,006.93	(121,680.57)	(50,604.86)
09/01/34	2,316,250.00	2,194,749.76	(121,500.25)	(48,162.62)
Total	49,410,785.00	46,818,922.70	(2,591,862.30)	(1,700,918.97)
		Plus: Prior Issue Reserve Fund		2,379,002.79
		Less: New Issue Reserve Fund		(2,246,600.69)
			Net Total	(1,568,516.87)
		Savings % Prior Issue		5.69%
		Savings % New Issue		5.21%

The financing team consists of:

Placement Agent	Piper Jaffray
Bond Counsel:	Kronick, Moskovitz, Tiedemann & Girard
Financial Advisor:	Del Rio Advisors, LLC
Escrow Agent:	U.S. Bank National Association

The schedule, should the Council authorize the refunding, would be to complete all documentation shortly after the meeting and close the transaction on Tuesday October 15th.

The following legal documents related to the refinancing have been prepared in substantially final form and attached for Council review:

- The Fiscal Agent Agreement between the City and U.S. Bank National Association, as Fiscal Agent, pursuant to which the City will issue the bonds and the document that governs all ongoing terms and conditions of the bonds;

- Placement Agent Agreement between the City and Piper Jaffray, as Placement Agent, whereby Piper Jaffray will arrange for the private sale to a bank or other financial institution and the terms and conditions of such sale; and

- The Escrow Agreement between the City and U.S. Bank National Association, as Escrow Agent directing the Escrow Agent and providing detailed instructions thereon to pay off the prior bonds in their entirety.

Conclusion

Staff recommends that the City Council adopt Resolution No. ____ (1) authorizing the execution and delivery of a Fiscal Agent Agreement, a Placement Agent Agreement, and an Escrow Agreement; (2) authorizing the issuance of refunding bonds; and (3) approving certain other actions related thereto

Prepared by: Kimberly McKinney
Finance Officer

Paul Navazio, City Manager

Attachments

FISCAL AGENT AGREEMENT

between

U.S. BANK NATIONAL ASSOCIATION, as Fiscal Agent

and the

CITY OF WOODLAND

Dated October 1, 2013

relating to the
CITY OF WOODLAND
COMMUNITY FACILITIES DISTRICT NO. 2004-1 (SPRING LAKE)
SPECIAL TAX BONDS

and

$[PAR AMOUNT] principal amount of Special Tax Refunding Bonds, Series 2013

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ARTICLE 11
MODIFICATION OR AMENDMENT OF THIS FISCAL AGENT AGREEMENT

FISCAL AGENT AGREEMENT

This FISCAL AGENT AGREEMENT, dated October 1, 2013, between U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized under the laws of the United States of America, as fiscal agent (the "Fiscal Agent"), and the CITY OF WOODLAND, a municipal corporation duly established and existing under the Constitution and laws of the State of California (the "City");

W I T N E S S E T H:

WHEREAS, the City Council of the City (the "City Council") on June 22, 2004, duly adopted its Resolution No. 4559 (i) establishing the City's Community Facilities District No. 2004-1 (Spring Lake) (the "CFD") for the purpose of providing for the financing of certain services and the financing of the design, construction, and acquisition of certain public facilities in and for the CFD and (ii) determining the necessity to incur a bonded indebtedness in the amount of $112,500,000 with respect to the CFD;

WHEREAS, on June 22, 2004, the qualified electors of the CFD authorized the City Council to levy special taxes upon the land within the CFD and to issue bonds in the principal amount of not to exceed $112,500,000 (the "Bonds"), secured by the special taxes;

WHEREAS, the City now is fully authorized pursuant to the Mello-Roos Community Facilities Act of 1982 (Sections 53311 et seq. of the Government Code of the State of California, as amended) (the "Law") to issue the Bonds;

WHEREAS, the City previously issued $33,050,000 principal amount of its Community Facilities District No. 2004-1 (Spring Lake) Special Tax Bonds, Series 2004 (the "Prior Bonds"), pursuant to such authorization and a Fiscal Agent Agreement dated October 1, 2004 (the "Prior Fiscal Agent Agreement"), between the City and U.S. Bank National Association;

WHEREAS, the City has determined to defease the Prior Bonds and to discharge its obligations under the Prior Fiscal Agent Agreement;

WHEREAS, the City has determined to enter into this Fiscal Agent Agreement in order to provide for the authentication and delivery of any additional Bonds, to establish and declare the terms and conditions upon which the Bonds shall be issued and secured and to secure the payment of the principal thereof and premium (if any) and interest thereon;

WHEREAS, the execution and delivery of this Fiscal Agent Agreement has in all respects been duly and validly authorized by a resolution duly adopted by the City Council; and

WHEREAS, the City has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of this Fiscal Agent Agreement do exist, have happened, and have been performed in regular and due time, form, and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Fiscal Agent Agreement;

NOW, THEREFORE, THIS FISCAL AGENT AGREEMENT WITNESSETH that, in order to secure the payment of the principal of and premium, if any, and the interest on all Bonds at any time issued, authenticated and delivered hereunder and to provide the terms and conditions under which all property, rights, and interests hereby assigned and pledged are to be dealt with and disposed of, and to secure performance and observance of the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes hereinafter expressed, and in consideration of the premises and of the material covenants herein contained and of the purchase and acceptance of the Bonds by the registered owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the City does hereby agree and covenant with the Fiscal Agent for the benefit of the respective registered owners, from time to time, of the Bonds, or any part thereof, as follows:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 1.1. Definitions. For all purposes of this Fiscal Agent Agreement and of any Supplemental Fiscal Agent Agreement and of any certificate, opinion, or other document herein mentioned, unless the context otherwise requires:

(a) The terms defined in this Section shall have the meanings herein specified and include the plural as well as the singular.

(b) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles.

(c) All references herein to "generally accepted accounting principles" refer to such principles as they exist at the date of applicability thereof.

(d) All references herein to "Articles," "Sections," and other subdivisions are to the designated Articles, Sections, and other subdivisions of this Fiscal Agent Agreement as originally executed.

(e) The words "herein," "hereof," "hereby," "hereunder," and other words of similar import refer to this Fiscal Agent Agreement as a whole and not to any particular Article, Section, or other subdivision.

(f) Words of the masculine gender shall mean and include words of the feminine and neuter genders.

(g) Unless otherwise defined in this Fiscal Agent Agreement, all terms used herein shall have the meanings assigned to such terms in the Law.

Acquisition and Construction Fund means the fund by that name established pursuant to Section 4.3 (Establishment and Application of Acquisition and Construction Fund).

Administrative Expenses means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of the City carrying out its duties with respect to the CFD and the Bonds, including, but not limited to, costs of levying and collecting the Special Taxes, the fees and expenses of legal counsel, charges levied by the County Auditor's Office, Tax Collector's Office, and/or Treasurer's Office, costs related to annexing property into the CFD, costs related to property owner inquiries regarding the Special Taxes, amounts needed to pay rebate to the federal government with respect to the Bonds, costs associated with complying with any continuing disclosure requirements for the Bonds and the Special Taxes, and all other costs and expenses of the City in any way related to the establishment or administration of the CFD.

Annual Debt Service means for each Bond Year the aggregate amount of principal and interest becoming due and payable on all Bonds, but excluding any interest for which there are moneys deposited in the Interest Fund from the proceeds of any Series of Bonds or other source and reserved as capitalized interest to pay such interest.

Bond Register has the meaning stated in Section 2.5 (Registration, Transfer, and Exchange).

Bond Reserve Fund means the fund by that name established pursuant to Section 7.4 (Allocation of Net Special Taxes).

Bond Reserve Requirement means, as of any date of calculation, the least of (i) Maximum Annual Debt Service as of such date, (ii) 125% of average Annual Debt Service on all Bonds Outstanding as of such date and (iii) 10% of the original principal amount of the Bonds (or, if a Series of Bonds is sold with more than a *de minimis* amount of original issue discount or premium, the issue price of such Bonds (excluding pre-issuance accrued interest), as those terms are defined in the Code, shall be used in the calculation).

Bonds, Serial Bonds, Term Bonds

Bonds means the City of Woodland Community Facilities District No. 2004-1 (Spring Lake) Special Tax Bonds authorized by, and at any time Outstanding pursuant to, this Fiscal Agent Agreement.

Serial Bonds means the Bonds, maturing in specified years, for which no Mandatory Sinking Account Payments are provided.

Term Bonds means the Bonds payable at or before their specified maturity date or dates from Mandatory Sinking Account Payments established for that purpose and calculated to retire such Bonds on or before their specified maturity date or dates.

Bond Year means the period ending on September 1 of each year with the first Bond Year ending on September 1, 2014, and the last Bond Year ending on the date on which none of the Bonds remain outstanding.

Business Day means any day other than a Saturday, Sunday, or a day on which banking institutions in the state in which the Corporate Trust Office is located or the State of New York are authorized or obligated by law or executive order to be closed.

CDIAC means the California Debt and Investment Advisory Commission or any public official or agency succeeding to its information collection functions under California Government Code Section 53359.5(b) and (c).

Certificate, Statement, Request, Requisition, or Order of the City mean, respectively, a written certificate, statement, request, requisition, or order signed in the name of the City by its City Manager or Finance Director or any other person authorized by the City Manager or the Finance Director to execute such instruments. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument. If and to the extent required by Section 1.6 (Form and Consent of Documents Delivered to Fiscal Agent), each such instrument shall include the statements provided for in Section 1.6 (Form and Consent of Documents Delivered to Fiscal Agent).

CFD means the City's Community Facilities District No. 2004-1 (Spring Lake), a community facilities district duly established within the geographical jurisdiction of the City pursuant to the Law.

City means the City of Woodland, a municipal corporation duly organized and existing under the Constitution and laws of the State.

City Council means the City Council of the City.

Code means the Internal Revenue Code of 1986 and the regulations applicable to or issued thereunder.

Community Facilities Fund means the fund by that name established pursuant to Section 7.4 (Allocation of Net Special Taxes).

Corporate Trust Office or **corporate trust office** means the corporate trust office of the Fiscal Agent at One California Street, Suite 2550, San Francisco, CA 94111, Attention: Corporate Trust Services, or such other or additional offices as may be designated by the Fiscal Agent.

Costs of Issuance means all items of expense directly or indirectly payable by or reimbursable to the City and related to the original authorization, execution, sale, and delivery of the Bonds, including but not limited to advertising and printing costs, costs of preparation and reproduction of documents, costs of printing and distribution of the preliminary and final official statements, filing and recording fees, initial fees and charges of the Fiscal Agent, legal fees and charges, fees and disbursements of consultants and professionals, financial advisor fees and expenses, rating agency fees, fees and charges for preparation, execution, transportation and safekeeping of Bonds, and any other cost, charge, or fee in connection with the original delivery of Bonds.

Costs of Issuance Fund means the fund by that name established pursuant to Section 3.4 (Establishment and Application of Costs of Issuance Fund).

Close-out Amount means, with respect to the Hedging Agreement, the amount, as of any date of optional redemption pursuant to Section 3.2(B) hereof, of the losses or costs, as determined by the Hedge Provider, that are or would be incurred under then prevailing circumstances (expressed as a positive number) or the amount, as of such date of optional redemption pursuant to Section 3.2(B) hereof, of the gains, as determined by the Hedge Provider, that are or would be realized under then prevailing circumstances (expressed as a negative number) in replacing, or in providing the economic equivalent of, the material terms of the Hedging Agreement, including the payments and deliveries by the parties to the Hedging Agreement with respect thereto that, but for the occurrence of the applicable date fixed for redemption of the Bonds, would have been required after that date.

Defeasance Securities means the following:

(A) United States Treasury Certificates, Notes, and Bonds (including State and Local Government Series -- "SLGS").

(B) Direct obligations of the Treasury that have been stripped by the Treasury itself, CATS, TGRS, and similar securities.

(C) The interest component of Resolution Funding Corp. (REFCORP) strips that have been stripped by request to the Federal Reserve Bank of New York in book-entry form.

(D) Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by Standard & Poor's. If, however, the pre-refunded bonds are rated by Standard & Poor's but are not rated by Moody's, then the pre-refunded bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or Aaa-rated pre-refunded municipal bonds.

(E) Obligations issued or guaranteed by the following agencies that are backed by the full faith and credit of the U.S.:

(1) U.S. Export-Import Bank (Eximbank)
Direct obligations or fully guaranteed certificates of beneficial ownership

(2) Farmers Home Administration (FmHA)
Certificates of beneficial ownership

(3) Federal Financing Bank

(4) General Services Administration
Participation certificates

(5) U.S. Maritime Administration
Guaranteed Title XI financing

(6) U.S. Department of Housing and Urban Development (HUD)
Project Notes
Local Authority Bonds
New Communities Debentures - U.S. government guaranteed debentures

U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds

Escrow Agreement means the Escrow Agreement dated October 1, 2013, between the Fiscal Agent and the City.

Event of Default means any of the events specified in Section 9.1 (Events of Default).

Facilities means those public facilities as described in Exhibit A to the Resolution of Formation.

Fiscal Agent means U.S. Bank National Association, a national banking association duly organized under the laws of the United States of America, or its successor as Fiscal Agent as provided in Section 10.9 (Removal and Resignation; Appointment of Successor).

Fiscal Year means the period beginning on July 1 of each year and ending on the next succeeding June 30 or any other twelve-month period hereafter selected and designated as the official fiscal year period of the City.

Fiscal Agent Agreement means this Fiscal Agent Agreement dated October 1, 2013, between the Fiscal Agent and the City, as originally executed or as it may from time to time be supplemented or amended by any Supplemental Fiscal Agent Agreement delivered pursuant to the provisions hereof.

Hedge Provider means __________, the counterparty to the Hedging Agreement with the Original Purchaser.

Hedging Agreement means that certain interest rate swap agreement entered into by the Original Purchaser and the Hedge Provider, with an effective date of October __, 2013, ____ Reference No. ______-_______, in connection with the Original Purchaser's purchase of the Bonds and designed to protect the Original Purchaser against fluctuations in interest rates, as such agreement may be supplemented or amended from time to time, and any agreement in replacement thereof, which supplement, amendment, or replacement shall be made only with the prior written consent of the City, which consent shall not be unreasonably withheld.

Information Service means the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") website, or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and or such other services providing information with respect to called bonds, or no such services, as the City may designate in a Request of the City delivered to the Fiscal Agent.

Interest Fund means the fund by that name established pursuant to Section 7.4 (Allocation of Net Special Taxes).

Interest Payment Date with respect to Bonds of any Series means the date or dates specified in such Bonds on which installments of interest on such Bonds are due and payable.

Investment Securities means any securities in which funds of the City may now or hereafter be legally invested as provided by applicable law in effect at the time of such investment, subject to any limitations imposed by the investment policy approved by the City Council, but without regard to any limitations contained therein concerning the maximum percentage limitations for any particular investment. Investment Securities also include (a) money market funds, including funds of the Fiscal Agent or any of its affiliates, and (b) investment agreements, including guaranteed investment contracts.

Law means the Mello-Roos Community Facilities Act of 1982 (Sections 53311 et seq. of the Government Code of the State of California, as amended), as now in effect and as it may from time to time hereafter be amended or supplemented.

Letter of Representations means a letter substantially in the form attached hereto as Exhibit C delivered by each purchaser of the Bonds to the City to the effect, among other things, that such purchaser (a) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the Bonds, (b) is acquiring the Bonds for its own account for the purpose of investment and not with a view to the distribution thereof, and (c) has no present intention of selling, negotiating, transferring, or otherwise disposing of the Bonds so purchased.

Mandatory Sinking Account Payment means, with respect to Bonds of any Series and maturity, the amount required by this Fiscal Agent Agreement or a Supplemental Fiscal Agent Agreement hereto to be deposited by the City in a Sinking Account for the payment of Term Bonds of such Series and maturity.

Maximum Annual Debt Service shall mean the greatest amount of principal and interest becoming due and payable on all Bonds in any Bond Year including the Bond Year in which the calculation is made or any subsequent Bond Year.

Moody's means Moody's Investors Service, a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the City.

Net Special Taxes means the Special Taxes less Administrative Expenses up to the amount of $25,500 in Fiscal Year 2013-14, increased by 2% (compounded) each Fiscal Year thereafter.

Opinion of Bond Counsel means a written opinion of a law firm experienced in matters relating to obligations the interest on which is excluded from gross income for federal income tax purposes, selected by the City.

Original Purchaser means the original purchaser of the Series 2013 Refunding Bonds, ________________.

Outstanding, when used as of any particular time with reference to Bonds, means all Bonds theretofore, or thereupon being, authenticated and delivered by the Fiscal Agent under this Fiscal Agent Agreement except (1) Bonds theretofore cancelled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation; (2) Bonds with respect to which all liability of the City shall have been discharged in accordance with Section 6.2 (Discharge of Liability on Bonds), including Bonds (or portions of Bonds) referred to in Section 7.12 (Money Held for Particular Bonds); and (3) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Fiscal Agent pursuant to this Fiscal Agent Agreement.

Owner or Bondholder or Bondowner, whenever used herein with respect to a Bond, means the person in whose name such Bond is registered.

Person means a corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

Prepayment Fund means the fund by that name established pursuant to Section 7.8 (Application of Prepayment Fund).

Principal Fund means the fund by that name established pursuant to Section 7.4 (Allocation of Net Special Taxes).

Principal Payment Date with respect to Bonds of any Series means the date or dates specified in such Bonds on which the principal of such Bonds is due and payable.

Rate and Method of Apportionment means the rate, method of apportionment, and manner of collection of the Special Taxes included as Exhibit B to the Resolution of Formation.

Rating Category means (i) with respect to any long-term rating category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier and (ii) with respect to any short-term or commercial paper rating category, all ratings designated by a particular letter or combination of letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

Rebate Fund means the fund by that name established pursuant to Section 7.9 (Rebate Fund).

Redemption Price means, with respect to any Bond (or portion thereof) the principal amount of such Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and this Fiscal Agent Agreement.

Regular Record Date for interest payable on any Interest Payment Date on the Bonds of any Series means the date specified in the provisions of this Fiscal Agent Agreement creating such Series.

Resolution of Formation means Resolution No. 4559 adopted by the City Council on June 22, 2004, establishing the CFD, as the same may be amended from time to time in accordance with the Law.

Securities Depositories means the following: The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax (516) 227-4039 or 4190; or, in accordance with then-current guidelines of the Securities and Exchange Commission, to such other addresses and/or such other securities depositories, or no such depositories, as the City may designate in a Request of the City delivered to the Fiscal Agent.

Series, whenever used herein with respect to Bonds, means all of the Bonds designated as being of the same series, authenticated and delivered in a simultaneous transaction, regardless of variations in maturity, interest rate, redemption, and other provisions, and any Bonds thereafter authenticated and delivered upon transfer or exchange or in lieu of or in substitution for (but not to refund) such Bonds as herein provided.

Sinking Accounts means the accounts in the Principal Fund so designated and established pursuant to Section 7.6 (Application of Principal Fund; Sinking Accounts) for the payment of Term Bonds.

Special Record Date for the payment of any defaulted interest on Bonds of any Series means a date fixed by the Fiscal Agent pursuant to Section 2.7 (Payment of Interest on Bonds; Interest Rights Preserved).

Special Tax Consultant means Goodwin Consulting Group or another independent financial or tax consultant retained by the City for the purpose of computing the Special Taxes.

Special Tax Fund means the fund by that name established pursuant to Section 7.2 (Deposit of Special Taxes in the Special Tax Fund).

Special Taxes means the special taxes authorized to be levied and collected annually on property in the CFD, including any such taxes that are prepaid and any penalties and interest collected on delinquent payments.

Standard & Poor's means Standard & Poor's, a division of The McGraw Hill Companies, Inc., and its successors and assigns, except that if such rating agency shall no longer perform the functions of a securities rating agency, then the term "Standard & Poor's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the City.

State means the State of California.

Supplemental Fiscal Agent Agreement means any fiscal agent agreement hereafter duly executed and delivered, supplementing, modifying, or amending this Fiscal Agent Agreement, but only if and to the extent that such Supplemental Fiscal Agent Agreement is specifically authorized hereunder.

Tax Certificate means the master tax certificate delivered by the City at the time of the issuance and delivery of the first Series of Bonds issued hereunder, as supplemented by the supplemental tax certificates delivered at the time of issuance and delivery of each Series of Bonds and as the same may be further amended or supplemented in accordance with its terms.

Taxable Property means all property described by the definition of the term "Taxable Property" in the Rate and Method of Apportionment.

SECTION 1.2. Equality of Security. In consideration of the acceptance of the Bonds by the Owners thereof from time to time, this Fiscal Agent Agreement shall be deemed to be and shall constitute a contract between the City, the Fiscal Agent and the Owners from time to time of the Bonds and the covenants and agreements herein set forth to be performed by or on behalf of the City or the Fiscal Agent shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds, without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reasons of the Series, time of issue, sale, or negotiation thereof or for any cause whatsoever, except as expressly provided therein or herein. Nothing herein shall prevent additional security from being provided to particular Bonds under any Supplemental Fiscal Agent Agreement.

SECTION 1.3. Acts of Bondholders. Any request, consent, or other instrument required or permitted by this Fiscal Agent Agreement to be signed and executed by Bondholders may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bondholders in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any person of Bonds transferable by delivery, shall be sufficient for any purpose of this Fiscal Agent Agreement and shall be conclusive in favor of the Fiscal Agent and of the City if made in the manner provided in this Section.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent, or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

Any request, consent, or other instrument or writing of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Fiscal Agent or the City in accordance therewith or reliance thereon.

SECTION 1.4. Notices, etc., to City and Fiscal Agent. Any notice to or demand upon the Fiscal Agent may be served or presented, and such demand may be made, at the Corporate Trust Office. Any notice to or demand upon the City, shall be deemed to have been sufficiently given or served for all purposes by being deposited, first-class mail postage prepaid, in a post office letter box, addressed, as the case may be, to the City at 300 First Street, Woodland, CA 95695, Attention: Finance Director (or such other address as may have been filed in writing by the City with the Fiscal Agent).

SECTION 1.5. Notices to Bondholders; Waiver. In any case where notice to Bondholders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Bondholder shall affect the sufficiency of such notice with respect to other Bondholders.

Where this Fiscal Agent Agreement provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Bondholders shall be filed with the Fiscal Agent, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 1.6. Form and Content of Documents Delivered to Fiscal Agent. Every certificate or opinion provided for in this Fiscal Agent Agreement with respect to compliance with any provision hereof shall include (1) a statement that the person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto, (2) a brief statement as to the nature and scope of the examination or investigation upon which the certificate or opinion is based; (3) 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; and (4) a statement as to whether, in the opinion of such person, such provision has been complied with.

Any such certificate or opinion made or given by an officer of the City may be based, insofar as it relates to legal or accounting matters, upon a certificate or opinion of or representation by counsel, an accountant, or an independent consultant, unless such officer 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, an accountant, or an independent consultant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the City) upon a certificate or opinion of or representation by an officer of the City, unless such counsel, accountant, or independent consultant 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 officer of the City, or the same counsel, or accountant or independent consultant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Fiscal Agent Agreement, but different officers, counsel, accountants, or independent consultants may certify to different matters, respectively.

SECTION 1.7. Effect of Headings and Table of Contents. 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 Fiscal Agent Agreement.

SECTION 1.8. Successors and Assigns. Whenever in this Fiscal Agent Agreement either the City or the Fiscal Agent is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Fiscal Agent Agreement contained by or on behalf of the City or the Fiscal Agent shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

SECTION 1.9. Benefits of Fiscal Agent Agreement. Nothing in this Fiscal Agent Agreement or in the Bonds expressed or implied is intended or shall be construed to give to any person other than the City, the Fiscal Agent, and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Fiscal Agent 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 City, the Fiscal Agent, and the Owners of the Bonds.

SECTION 1.10. Payments/Actions Otherwise Scheduled on Non-Business Days. Except as specifically set forth in a Supplemental Fiscal Agent Agreement, any payments or transfers that would otherwise become due on any day that is not a Business Day shall become due or shall be made on the next succeeding Business Day. When any other action is provided for herein to be done on a day named or within a specified time period and the day named or the last day of the specified period falls on a day other than a Business Day, such action may be performed on the next succeeding Business Day with the same effect as though performed on the appointed day or within the specified period.

SECTION 1.11. No Personal Liability for Debt Service. No City Council member, officer, agent, or employee of the City or the Fiscal Agent shall be individually or personally liable for the payment of the principal or Redemption Price of or interest on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such City Council member, officer, agent, or employee of the City or the Fiscal Agent from the performance of any official duty provided by law or by this Fiscal Agent Agreement.

SECTION 1.12. Separability Clause. If any one or more of the provisions contained in this Fiscal Agent Agreement or in the Bonds shall for any reason be 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 Fiscal Agent Agreement and such invalidity, illegality, or unenforceability shall not affect any other provision of this Fiscal Agent Agreement, and this Fiscal Agent Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The City hereby declares that it would have adopted this Fiscal Agent Agreement and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Fiscal Agent Agreement may be held illegal, invalid, or unenforceable.

SECTION 1.13. Governing Law. This Fiscal Agent Agreement shall be construed and governed in accordance with the laws of the State.

SECTION 1.14. Execution in Counterparts. This Fiscal Agent Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

ARTICLE 2
THE BONDS

SECTION 2.1. Title; Issuable in Series; General Limitations. The general title of the Bonds of all Series shall be "City of Woodland Community Facilities District No. 2004-1

(Spring Lake) Special Tax Bonds." With respect to the Bonds of any particular Series, the City may incorporate into or add to the general title of such Bonds any words, letters, or figures designed to distinguish that Series.

The City may issue Bonds in Series hereunder, in book-entry form or otherwise, as from time to time authorized by the City Council, subject to the covenants, provisions, and conditions contained in this Fiscal Agent Agreement.

Other than the Series 2013 Refunding Bonds and other Bonds issued to refund Outstanding Bonds, the City shall not issue more than $79,450,000 aggregate principal amount of Bonds.

SECTION 2.2. Terms of Particular Series. Each Series of Bonds, except the Series 2013 Refunding Bonds created by Article 3, shall be created by a fiscal agent agreement supplemental hereto authorized by the City Council and establishing the terms and provisions of such Series of Bonds and the form of the Bonds of such Series. The several Series of Bonds may differ from the Series 2013 Refunding Bonds and as between Series in any respect not in conflict with the provisions of this Fiscal Agent Agreement and as may be prescribed in the supplemental fiscal agent agreement creating such Series.

The City shall determine, at the time of issuance of each Series of Bonds, the terms thereof, including the interest rate or rates at which interest is borne by the Bonds of such Series or the manner in which the interest rate or rates are determined (not to exceed the maximum rate of interest permitted by law), the intervals at which interest on the Bonds of such Series shall be payable, the date or dates on which and the year or years in which the Bonds of such Series shall mature and become payable, and the manner in which principal of and interest on the Bonds of such Series shall be payable.

SECTION 2.3. Forms and Denominations. The form of the Bonds of each Series shall be established by the provisions of this Fiscal Agent Agreement creating such Series. The Bonds of each Series shall be distinguished from the Bonds of other Series as may be determined by the officers of the City executing particular Bonds, as evidenced by their execution thereof.

The City may issue the Bonds of any Series (i) in such denominations as it specifies at the time of issuance thereof and (ii) in fully registered form without coupons or in fully registered book-entry form.

SECTION 2.4. Execution and Authentication. The Bonds shall be executed in the name and on behalf of the City by the Mayor and countersigned by the City Clerk. The signature of any of these officers on the Bonds may be facsimile or manual. Unless otherwise provided in any Supplemental Fiscal Agent Agreement, the Bonds shall then be delivered to the Fiscal Agent for authentication by it.

In case any of the officers who shall have signed or countersigned any of the Bonds shall cease to be such officer or officers of the City before the Bonds so signed or countersigned shall have been authenticated, or delivered by the Fiscal Agent, or issued by the City, such Bonds may nevertheless be authenticated, delivered, and issued and, upon such authentication, delivery, and issue, shall be as binding upon the City as though those who signed and countersigned the same had continued to be such officers of the City. Any Bond may be signed and attested on behalf of the City by such persons as at the actual date of execution such Bond shall be the proper officers of the City although at the nominal date of such Bond any such person shall not have been such officer of the City.

Except as may be provided in any Supplemental Fiscal Agent Agreement, no Bond shall be valid or obligatory for any purpose or entitled to the benefits of this Fiscal Agent Agreement unless there appears on such Bond a certificate of authentication substantially in the form provided for herein, manually executed by the Fiscal Agent. Such certificate of authentication when manually executed by the Fiscal Agent shall be conclusive evidence, and the only evidence, that such Bond has been duly executed, authenticated, and delivered hereunder.

SECTION 2.5. Registration, Transfer, and Exchange. The Fiscal Agent will keep or cause to be kept, at its Corporate Trust Office, a register (herein sometimes referred to as the "Bond Register") in which, subject to such reasonable regulations as it may prescribe, the Fiscal Agent shall provide for the registration and transfer of Bonds. The Bond Register shall at all times be open to inspection during normal business hours by the City.

Upon surrender of a Bond for transfer at the Corporate Trust Office, the City shall execute and the Fiscal Agent shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of the same Series, tenor, and maturity and for an equivalent aggregate principal amount.

Bonds of any Series may be exchanged for an equivalent aggregate principal amount of Bonds of other authorized denominations of the same Series, tenor, and maturity, upon surrender of the Bonds for exchange at the Corporate Trust Office. Upon surrender of Bonds for exchange, the City shall execute and the Fiscal Agent shall authenticate and deliver the Bonds that the Bondholder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this Fiscal Agent Agreement shall be promptly cancelled by the Fiscal Agent and thereafter disposed of as provided for in Section 2.9 (Cancellation).

All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the City, evidencing the same debt, and entitled to the same security and benefits under this Fiscal Agent Agreement, as the Bonds surrendered upon such transfer or exchange.

Every Bond presented or surrendered for transfer or exchange shall be accompanied by a written instrument of transfer, in a form approved by the Fiscal Agent, that is duly executed by the Owner or by his attorney duly authorized in writing.

No service charge shall be made for any transfer or exchange of Bonds, but the Fiscal Agent shall require the Bondholder requesting such transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange.

The Fiscal Agent shall not be required to transfer or exchange (i) Bonds of any Series during the period established by the Fiscal Agent for the selection of Bonds of such Series for redemption or (ii) any Bond that has been selected for redemption in whole or in part, except the unredeemed portion of such Bond selected for redemption in part, from and after the day that such Bond has been selected for redemption in whole or in part.

SECTION 2.6. Mutilated, Destroyed, Lost, or Stolen Bonds. If (i) any mutilated Bond is surrendered to the Fiscal Agent, or the Fiscal Agent receives evidence to its satisfaction of the destruction, loss, or theft of any Bond, and (ii) there is delivered to the Fiscal Agent such security or indemnity as may be required by it to save it harmless, then the City shall execute, and upon its request the Fiscal Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Bond, a new Bond of the same Series and of like tenor and principal amount, bearing a number not contemporaneously outstanding.

Upon the issuance of any new Bond under this Section, the City may require payment of a sum sufficient to pay the cost of preparing such Bond, any tax or other governmental charge that may be imposed in relation thereto, and any other expenses connected therewith.

Every new Bond issued pursuant to this Section in lieu of any destroyed, lost, or stolen Bond shall constitute an original additional contractual obligation of the City, whether or not the destroyed, lost, or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the security and benefits of this Fiscal Agent Agreement equally and ratably with all other Outstanding Bonds secured by this Fiscal Agent Agreement. Neither the City nor the Fiscal Agent shall be required to treat both the new Bond and the Bond it replaces as being Outstanding for the purpose of determining the principal amount of Bonds that may be issued hereunder, but both the new Bond and the Bond it replaces shall be treated as one and the same.

SECTION 2.7. Payment of Interest on Bonds; Interest Rights Preserved. Interest on any Bond of any Series that is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Owner thereof as of the close of business on the Regular Record Date for such interest specified in the provisions of this Fiscal Agent Agreement.

Any interest on any Bond of any Series that is payable but is not punctually paid or duly provided for on any Interest Payment Date shall forthwith cease to be payable to the Owner on the relevant Regular Record Date. Such defaulted interest shall be paid to the Person in whose name the Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Fiscal Agent. In the name and at the expense of the City, the Fiscal Agent shall cause notice of the payment of such defaulted interest and the Special Record Date to be mailed, first-class postage prepaid, to each Owner of a Bond of such Series at his address as it appears in the Bond Register not fewer than ten (10) days prior to such Special Record Date.

Subject to the foregoing provisions of this Section, each Bond delivered under this Fiscal Agent Agreement upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, that were carried by such other Bond. Each such Bond shall bear interest from such date that neither loss nor gain in interest shall result from such transfer, exchange, or substitution.

SECTION 2.8. Persons Deemed Owners. The City and the Fiscal Agent shall be entitled to treat the person in whose name any Bond is registered as the owner thereof for all purposes of the Fiscal Agent Agreement and any applicable laws, notwithstanding any notice to the contrary received by the Fiscal Agent or the City. The ownership of Bonds shall be proved by the Bond Register. The Fiscal Agent may establish a record date as of which to measure consent of the Bondowners in order to determine whether the requisite consents are received.

SECTION 2.9. Cancellation. All Bonds surrendered for payment, redemption, transfer, or exchange, if surrendered to the Fiscal Agent, shall be promptly cancelled by the Fiscal Agent and, if surrendered to any person other than the Fiscal Agent, shall be delivered to the Fiscal Agent and, if not already cancelled, shall be promptly cancelled by the Fiscal Agent.

The City shall deliver to the Fiscal Agent for cancellation any Bonds acquired in any manner by the City, and the Fiscal Agent shall promptly cancel such Bonds.

No Bond shall be authenticated in lieu of or in exchange for any Bond cancelled as provided in this Section, except as expressly provided by this Fiscal Agent Agreement. The Fiscal Agent shall destroy all cancelled Bonds (in the presence of an officer of the City, if the City shall so require) and deliver a certificate of such destruction to the City.

SECTION 2.10. Book-Entry Provisions. Notwithstanding any provision of this Fiscal Agent Agreement to the contrary, if a Series of Bonds is issued in book-entry form the following provisions shall apply:

(A) Limitations on Transfer. Registered ownership of Bonds issued in book-entry form, or any portions thereof, may not be transferred except:

(1) To any successor of The Depository Trust Company or its nominee, or to any substitute depository designated pursuant to clause (2) of this subsection ("substitute depository"); provided that any successor of The Depository Trust Company or substitute depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) To any substitute depository not objected to by the Fiscal Agent, upon (a) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository, or (b) a determination by the City that The Depository Trust Company or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(3) To any person as provided below, upon (a) the resignation of The Depository Trust Company or its successor (or substitute depository or its successor) from its functions as depository if no substitute depository that is not objected to by the Fiscal Agent can be obtained, or (b) a determination by the City that it is in the best interests of the City to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its function as depository.

(B) Execution and Delivery of New Bonds. In the case of any transfer pursuant to clause (1) or clause (2) of subsection 2.10(A) (Book-Entry Provisions -- Limitations on Transfer) hereof, upon receipt of all Outstanding Bonds of such Series of book-entry Bonds by the Fiscal Agent, together with a Certificate of the City to the Fiscal Agent, a single new Bond for each maturity of such Series in the aggregate principal amount of the Bonds of such maturity then Outstanding shall be executed and delivered, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Certificate of the City. In the case of any transfer pursuant to clause (3) of subsection 2.10(A) (Book-Entry Provisions -- Limitations on Transfer) hereof, upon receipt of all Outstanding Bonds of such Series of book-entry Bonds by the Fiscal Agent together with a Certificate of the City to the Fiscal Agent, new Bonds of such Series shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such Certificate of the City, subject to the limitations of Section 2.5 (Registration, Transfer, and Exchange) hereof; provided the Fiscal Agent shall not be required to deliver such new Bonds within a period less than 60 days from the date of receipt of such a Certificate of the City.

(C) Notation of Reduction of Principal. In the case of partial redemption, cancellation or a refunding of any Bonds evidencing all or a portion of the principal maturing in a particular year, The Depository Trust Company shall make an appropriate notation on the Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Fiscal Agent.

(D) No Responsibility to Persons Other Than Owners. The City and the Fiscal Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of the Fiscal Agent Agreement and any applicable laws, notwithstanding any notice to the contrary received by the Fiscal Agent or the City; and the City and the Fiscal Agent shall have no responsibility for transmitting payments to, communication with, notifying, or otherwise dealing with any beneficial owners of the Bonds. Neither the City nor the Fiscal Agent will have any responsibility or obligations, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except for the Owner of any Bond.

(E) Payments to Depository. So long as all Outstanding Bonds of a Series are registered in the name of "Cede & Co." or its registered assign, the City and the Fiscal Agent shall cooperate with "Cede & Co.", as sole registered Owner, and its registered assigns in effecting payment of the principal, redemption premium, if any, and interest represented by the Bonds of such Series by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

ARTICLE 3
TERMS AND ISSUE OF SERIES 2013 REFUNDING BONDS

SECTION 3.1. Terms and Form of Series 2013 Refunding Bonds.

(A) Creation of Series 2013 Refunding. The City hereby creates a series of Bonds and additionally designates them "Series 2013 Refunding." At any time after the execution and delivery of this Fiscal Agent Agreement, the City may execute and the Fiscal Agent shall authenticate and deliver the Series 2013 Refunding Bonds in an aggregate principal amount of $[PAR AMOUNT] upon the Order of the City.

(B) Form of Series 2013 Refunding Bonds. The form of the Series 2013 Refunding Bonds shall be substantially as set forth in ***Exhibit A*** with such insertions, omissions, substitutions, and variations as may be determined by the officers executing the same, as evidenced by their execution thereof, to reflect the applicable terms of the Series 2013 Refunding Bonds established by this Article.

(C) Denominations. The Series 2013 Refunding Bonds shall be issued in fully registered form, in denominations of $100,000 or any integral multiple of $5,000 in excess thereof, and shall be initially registered in the name of _________. The Series 2013 Refunding Bonds shall bear such distinguishing numbers and letters as may be specified by the Fiscal Agent.

(D) Date; Interest Accrual; Maturity Dates; Interest Rates. The Series 2013 Refunding Bonds shall be dated their date of delivery, shall bear interest from their date at the following rates per annum, and shall mature on September 1 in the following years in the following amounts:

Maturity Date (September 1)	**Principal Amount**	**Interest Rate**
2014		
2034		

*Term Bonds

Interest on the Series 2013 Refunding Bonds shall be calculated on the basis of a 360-day year comprising twelve 30-day months.

(E) Principal and Interest Payments. The principal or Redemption Price of the Series 2013 Refunding Bonds shall be payable to the Owner thereof upon surrender thereof in lawful money of the United States of America at the Corporate Trust Office. Interest on the Series 2013 Refunding Bonds shall be payable on March 1, 2014, and thereafter semiannually on March 1 and September 1 of each year by check mailed by first class mail on each Interest Payment Date or, upon the written request of any Owner of $1,000,000 or more in aggregate principal amount of Bonds who has provided the Fiscal Agent with wire transfer instructions on or before the applicable Regular Record Date, by wire transfer on each Interest Payment Date to the Owner thereof as of the close of business on the Regular Record Date. The Regular Record Date for the Series 2013 Refunding Bonds shall be the fifteenth (15th) day of the calendar month immediately preceding the relevant Interest Payment Date.

(F) Cessation of Interest Accrual. Interest on any Series 2013 Refunding Bond shall cease to accrue (i) on the maturity date thereof, provided that there has been irrevocably deposited with the Fiscal Agent an amount sufficient to pay the principal amount thereof, plus interest accrued thereon to such date; or (ii) on the redemption date thereof, provided there has been irrevocably deposited with the Fiscal Agent an amount sufficient to pay the Redemption Price thereof, plus interest accrued thereon to such date. The Owner of such Bond shall not be entitled to any other payment, and such Bond shall no longer be Outstanding and entitled to the benefits of this Fiscal Agent Agreement, except for the payment of the principal amount or Redemption Price, as appropriate, of such Bond.

SECTION 3.2. Redemption of Series 2013 Refunding Bonds.

(A) General Redemption Provisions. The Series 2013 Refunding Bonds shall be subject to redemption as provided in Article 5.

(B) Optional Redemption. (1) Terms of Redemption. The Series 2013 Refunding Bonds maturing on or after September 1, 20__, are subject to redemption prior to their respective stated maturities, at the option of the City, from any source of available funds, as a whole or in part (by such maturities as may be specified by the City and at random within a maturity) on any date on or after September 1, 20__, at the stated principal amount of the Series 2013 Refunding Bonds called for redemption, plus accrued interest to the date fixed for redemption, plus or minus the Close-out Amount.

(2) Provisions Relating to Hedging Agreement. So long as the Hedging Agreement is in effect with respect to Series 2013 Refunding Bonds, the following provisions shall also apply:

(a) the same date that the City notifies the Fiscal Agent pursuant to Section 5.2 of its intention to redeem Series 2013 Refunding Bonds, the City shall provide such notice to the Original Purchaser and direct the Original Purchaser to request from the Hedge Provider a determination of the Close-out Amount as of the Business Day that such request is received by the Hedge Provider. The Original Purchaser shall provide such request to the Hedge Provider within one (1) Business Day after receipt of the direction from the City described in the previous sentence, and the Original Purchaser shall provide such Close-out Amount as determined by the Hedge Provider to the City within two (2) Business Days after the date that the notice described in Section 5.2 hereof was provided to the Fiscal Agent and the Original Purchaser. Based on the Close-out Amount provided to the City, the City will decide whether to proceed with the optional redemption. Within four (4) Business Days after the date that the notice described in Section 5.2 hereof was provided to the Fiscal Agent and the Original Purchaser, the City shall notify the Original Purchaser of its acceptance or rejection of such amount and shall immediately thereafter direct the Fiscal Agent either to provide or to not provide written notice of redemption to the Owners in accordance with Section 5.3 hereof. Unless the notice of proposed redemption described in Section 5.2 hereof is terminated within four (4) Business Days after the date such notice is given to the Fiscal Agent and the Original Purchaser, the optional redemption described in such notice shall occur on the date set forth therein. The City understands that the Close-out Amount is subject to change based on market conditions until the date that the Hedging Agreement is terminated.

(b) If the City elects to proceed with the optional redemption, on any Business Day prior to the redemption date, the City may instruct the Original Purchaser to terminate the Hedging Agreement in an amount associated with the principal amount of Series 2013

Refunding Bonds to be redeemed . Such request must be received by 10:00 a.m. on the day the City desires that the Hedging Agreement be terminated. By 1:00 p.m. on that same day, the Original Purchaser shall provide the City with the final Close-out Amount. If City has not instructed the Original Purchaser to terminate the Hedging Agreement on or before the Business Day immediately prior to the redemption date, the Original Purchase will terminate the Hedging Agreement on such date.

(c) Any Close-out Amount to be paid by the Original Purchaser to the Hedge Provider will be applied to increase the redemption price of the Series 2013 Refunding Bonds. Any Close-out Amount to be received by the Original Purchaser from the Hedge Provider will be applied to reduce the redemption price of the Series 2013 Refunding Bonds. Any Close-out Amount to be paid by the Original Purchaser to the Hedge Provider will be due and payable to the Hedge Provider on the second Business Day following the termination of the Hedging Agreement. The Original Purchaser will pay the Close-out Amount to the Hedge Provider and will charge the City interest, at the interest rate then accruing on the Series 2013 Refunding Bonds, on such amount paid through the redemption date of the Series 2013 Refunding Bonds.

(C) Mandatory Sinking Fund Redemption. Series 2013 Refunding Term Bonds maturing on September 1, 2034, are subject to redemption prior to their stated maturity, in part, at random from Mandatory Redemption Payments in the following amounts and on the following dates, at the principal amount thereof on the date fixed for redemption, without premium, but which amounts will be proportionately reduced by the principal amount of all 2034 Term Bonds optionally redeemed:

Mandatory Redemption Dates (September 1)	**Principal Amount**
2034*	

* *Maturity*

(D) Mandatory Redemption from Special Tax Prepayments. The Series 2013 Refunding Bonds are subject to redemption by the City prior to their respective stated maturities, as a whole or in part (by such maturities as may be specified by the City and at random within a maturity) on any Interest Payment Date from prepayments of the Special Taxes, at the following redemption prices (expressed as a percentage of the principal amount of Series 2013 Refunding Bonds called for redemption), together with accrued interest thereon to the date fixed for redemption:

Redemption Dates	**Redemption Price**
Prior to September 1, 20__	103%
September 1, 20__, and March 1, 20__	102
September 1, 20__, and March 1, 20__	101
September 1, 20__, and thereafter	100

SECTION 3.3. Application of Proceeds of Series 2013 Refunding Bonds. The City shall cause the proceeds of the sale of the Series 2013 Refunding Bonds to be set aside as follows:

(A) in the Bond Reserve Fund (created by Section 7.4 (Allocation of Net Special Taxes) $___________;

(B) in the Series 2013 Refunding Costs of Issuance Account (created by Section 3.4 (Establishment and Application of Costs of Issuance Fund)) $__________; and

(C) in the Series 2013 Refunding Escrow Fund (created by the Escrow Agreement) $_______________.

The Fiscal Agent may, in its discretion, establish a temporary fund or account to facilitate the foregoing deposits.

SECTION 3.4. Establishment and Application of Costs of Issuance Fund. The City shall establish and maintain a separate fund designated as the "Costs of Issuance Fund." With respect to each Series of Bonds for which proceeds of the sale thereof are required to be set aside specifically to pay Costs of Issuance, the City shall maintain a separate account within the Costs of Issuance Fund designated as the "________ Costs of Issuance Account" (inserting therein the Series designation of such Bonds). The moneys in each Costs of Issuance Account shall be applied by the City to pay or to reimburse itself for the payment of the Costs of Issuance of the related Series of Bonds.

SECTION 3.5. Validity of Series 2013 Refunding Bonds. The recital in the Series 2013 Refunding Bonds that they are issued pursuant to the Constitution and statutes of the State shall be conclusive evidence of their validity and of compliance with provisions of law in their issuance.

SECTION 3.6. Documents to be Delivered at Closing. On or prior to the date of delivery of the Series 2013 Refunding Bonds, the City shall cause to be delivered to the Original Purchaser the documents listed in Exhibit B. The City shall not deliver the Series 2013 Bonds to the Original Purchaser until the Original Purchaser has executed and delivered to the City (i) a

Letter of Representations and (ii) an acknowledgment and agreement to the responsibilities of the Original Purchaser described in Section 3.2(B).

SECTION 3.7. Limitation on Transfer. An Owner of Series 2013 Refunding Bonds may transfer such Bonds only (i) in aggregate principal amounts of not less than $5,000,000, (ii) to an "accredited investor," within the meaning of Regulation D promulgated under the Securities Act of 1933, as amended, and (iii) if such transferee has executed and delivered to the City a Letter of Representations. Any transfer of Bonds that is not made in accordance with this Section 3.7 shall be null and void.

SECTION 3.8. Annual Reporting Requirements to Owners of Series 2013 Refunding Bonds. On or before each March 31, the City shall provide to the Owners of the Series 2013 Refunding Bonds such information for the Fiscal Year preceding such date regarding the Bonds and the CFD as those Owners may reasonably request; provided that the City shall not be required to incur any additional costs or retain any outside consultants or advisors to prepare such information or to provide any information that is not otherwise readily available to the City. The City shall further provide to such Owners:

(a) within three (3) Business Days after the City obtains knowledge thereof, notice by telephone, promptly confirmed in writing, of any event that constitutes an Event of Default under this Fiscal Agent Agreement, together with a Statement of the City of the steps being taken by the City to cure such Event of Default;

(b) within ten (10) days after the City obtains knowledge thereof, written notice of any event or occurrence that adversely affects in a material manner the ability of the City to meet or perform its obligations under this Fiscal Agent Agreement on a timely basis or the validity or enforceability of this Fiscal Agent Agreement;

(c) on or before October 30 in each year, the annual report delivered to CDIAC pursuant to Section 8.12(B) of this Fiscal Agent Agreement; and

(d) within ten (10) days after receipt of request therefor by an Owner of Series 2013 Refunding Bonds, updates, if any, of the information described in Section 8.12(B)(10) of this Fiscal Agent Agreement.

ARTICLE 4
ISSUANCE AND DELIVERY OF ADDITIONAL SERIES OF BONDS

SECTION 4.1. Issuance of Additional Series of Bonds. The City may by Supplemental Fiscal Agent Agreement establish one or more additional Series of Bonds secured under this Fiscal Agent Agreement, equally and ratably with Bonds previously issued, for the purpose of providing funds to finance or refinance the costs of any Facilities (or to reimburse the City for the payment of such costs), including payment of costs incidental to or connected with the Facilities, or for the repayment of funds advanced to or for the CFD. The City may issue, and the Fiscal Agent may authenticate and deliver to the purchasers thereof, Bonds of any Series so established, in such principal amount as shall be determined by the City, but only upon compliance by the City with the provisions of Section 4.2 (Proceedings for Issuance of Additional Series of Bonds) and any additional requirements set forth in the related

Supplemental Fiscal Agent Agreement and subject to the following specific conditions, which are hereby made conditions precedent to the issuance of any such additional Series of Bonds:

(A) No Default. No Event of Default shall have occurred and then be continuing.

(B) Bond Reserve Fund. Subject to the provisions of Section 7.7 (Funding and Application of Bond Reserve Fund), the Supplemental Fiscal Agent Agreement providing for the issuance of such Series shall require that the balance in the Bond Reserve Fund, forthwith upon the receipt of the proceeds of the sale of such Series, be increased, if necessary, to an amount at least equal to the Bond Reserve Requirement with respect to all Bonds to be considered Outstanding upon the issuance of such Series. The deposit may be made from the proceeds of the sale of such Series or from other funds of the City or from both such sources or in the form of a letter of credit, an insurance policy, or a surety bond as described in Section 7.7 (Funding and Application of Bond Reserve Fund), as provided in such Supplemental Fiscal Agent Agreement.

(C) Principal Amount. The aggregate principal amount of Bonds issued hereunder shall not exceed the amount authorized pursuant to the Law and shall not exceed any other limitation imposed by law or by any Supplemental Fiscal Agent Agreement.

(D) Value-to-Lien Ratio -- Aggregate. The aggregate fair market value of all Taxable Property (and the then existing private improvements thereon) on the date of the adoption of the Supplemental Fiscal Agent Agreement authorizing the issuance of such additional Series of Bonds (based on either the assessed valuations thereof as contained in the most recent equalized assessment roll of Yolo County or an MAI appraisal showing a date of valuation not earlier than ninety (90) days prior to the date of the adoption of the Supplemental Fiscal Agent Agreement), shall be equal to at least five (5) times the sum of (i) the aggregate principal amount of all Bonds to be Outstanding after the issuance of such additional Series of Bonds, plus (ii) the aggregate principal amount of all outstanding special assessment bonds that are payable from special assessments levied on the Taxable Property, plus (iii) the proportion of the aggregate principal amount of all outstanding bonds issued under the Law (other than the Bonds) that are payable from special taxes to be levied on the Taxable Property.

(E) Debt Service Coverage Ratio. The amount of Net Special Taxes that may be collected in each Fiscal Year following issuance of the additional Series of Bonds by application of the Rate and Method of Apportionment shall be no less than (i) 110% of the aggregate of Annual Debt Service due and payable with respect to all Bonds to be Outstanding in the Bond Year that begins in the corresponding Fiscal Year plus (ii) 100% of the aggregate amount of principal and interest becoming due and payable in such Bond Year on all other debt obligations that are payable out of Net Special Taxes.

(F) Payment Dates. The principal payments of such additional Series of Bonds shall be due on September 1 in each year in which principal is to be paid and, if the interest on such Series of Bonds is to be paid semiannually, such interest payments shall be due on March 1 and September 1 in each year, as appropriate.

Nothing in this Section or in this Fiscal Agent Agreement contained shall prevent or be construed to prevent the Supplemental Fiscal Agent Agreement from providing for the issuance of an additional Series of Bonds from pledging or otherwise providing, in addition to the security given or intended to be given by this Fiscal Agent Agreement, additional security for the benefit of such additional Series of Bonds or any portion thereof.

SECTION 4.2. Proceedings for Issuance of Additional Series of Bonds.

(A) Supplemental Fiscal Agent Agreement. Whenever the City shall determine to issue a Series of Bonds pursuant to Section 4.1 (Issuance of Additional Series of Bonds), the City shall authorize the execution of a Supplemental Fiscal Agent Agreement specifying the principal amount and prescribing the forms of Bonds of such additional Series and providing the terms, conditions, distinctive designation, denominations, methods of numbering, date, maturity date or dates, interest rate or rates (or the manner of determining the same), redemption provisions, and place or places of payment of principal or Redemption Price, if any, of and interest on such Bonds, and any other provisions respecting the Bonds of such Series not inconsistent with the terms of this Fiscal Agent Agreement.

(B) Documentation. Before such additional Series of Bonds shall be issued and delivered, the City shall file the following documents with the Fiscal Agent (upon which documents the Fiscal Agent may conclusively rely in determining whether the conditions precedent to the issuance of such Series of Bonds have been satisfied):

(1) Supplemental Fiscal Agent Agreement. An executed copy of the Supplemental Fiscal Agent Agreement authorizing such Series.

(2) City Certificate. A Certificate of the City stating that each of the requirements of subsections (A) through (D) of Section 4.1 (Issuance of Additional Series of Bonds) has been met.

(3) Bond Counsel Opinion. An Opinion of Bond Counsel to the effect that the execution of the Supplemental Fiscal Agent Agreement has been duly authorized by the City in accordance with this Fiscal Agent Agreement; that the Bonds of the additional Series, when duly executed by the City and authenticated and delivered by the Fiscal Agent, will be valid and binding limited obligations of the City; and that upon the delivery of such additional Bonds the aggregate principal amount of Bonds then Outstanding will not exceed the amount permitted by law or by this Fiscal Agent Agreement.

(4) Redemption Instructions. If any of the Bonds to be refunded are to be redeemed prior to their stated maturity dates, irrevocable instructions to the Fiscal Agent to give the applicable notice of redemption or a waiver of the notice of redemption signed by the Owners of all or the portion of the Bonds to be redeemed, or proof that such notice has been given by the City; provided, however, that, in lieu of such instructions or waiver or proof of notice of redemption, the City may cause to be deposited with the Fiscal Agent all of the Bonds proposed to be redeemed (whether cancelled or uncancelled) with irrevocable instructions to the Fiscal Agent to cancel the Bonds so to be redeemed upon the exchange and delivery of the refunding Bonds; and provided further that no provision

of this Fiscal Agent Agreement shall be construed to require the redemption of Bonds prior to their respective maturity dates in connection with the refunding thereof.

(5) Certificate of Special Tax Consultant. Certificate of the Special Tax Consultant stating that each of the requirements of subsection (E) of Section 4.1 (Issuance of Additional Series of Bonds) has been met.

SECTION 4.3. Application of Proceeds of Additional Bonds. (A) Application of Proceeds. Proceeds of each Series of Bonds shall be applied as specified in the Supplemental Fiscal Agent Agreement pursuant to which such Series of Bonds is created.

(B) Establishment and Application of the Acquisition and Construction Fund. The City shall establish and maintain a separate fund designated as the "Acquisition and Construction Fund." With respect to each Series of Bonds that funds the payment of the costs of Facilities, the City shall establish and maintain in the Acquisition and Construction Fund a separate account designated as the "_______ Acquisition and Construction Account" (inserting therein the Series designation of such Bonds). The moneys in the Acquisition and Construction Fund shall be used and withdrawn by the City to pay the costs of the Facilities. When the City determines that all of the costs of the Facilities have been paid, the City shall transfer any remaining balance in any Acquisition and Construction Account into the Special Tax Fund and/or use it to redeem Bonds.

SECTION 4.4. Limitations on the Issuance of Obligations Payable from Net Special Taxes. The City will not, so long as any of the Bonds are Outstanding, issue any obligations or securities, howsoever denominated, payable in whole or in part from Net Special Taxes except the following:

(A) Series 2013 Refunding Bonds and Additional Bonds. Bonds of any Series authorized pursuant to Sections 3.1 (Terms and Form of Series 2013 Refunding Bonds) and 4.1 (Issuance of Additional Series of Bonds).

(B) Subordinate Obligations. Obligations that are junior and subordinate to the payment of the principal, premium, interest, and reserve fund requirements for the Bonds and which subordinated obligations are payable as to principal, premium, interest, and reserve fund requirements, if any, only out of Net Special Taxes that are on deposit in the Community Facilities Fund.

SECTION 4.5. Refunding Bonds. Notwithstanding anything to the contrary herein, the City may issue an additional Series of Bonds to refund any Bonds Outstanding without complying with the requirements of Section 4.1(D) (Value-to-Lien Ratio -- Aggregate) or Section 4.1(E) Debt Service Coverage Ratio, if the total Debt Service on the refunding Bonds is less than total Debt Service on the Bonds to be refunded.

ARTICLE 5
REDEMPTION OF BONDS

SECTION 5.1. General Applicability of Article. Bonds of any Series that are redeemable before their respective stated maturities shall be redeemable in accordance with their terms and (except as otherwise provided with respect to the Bonds of any particular Series by the provisions of this Fiscal Agent Agreement creating such Series) in accordance with this Article.

SECTION 5.2. Notice to Fiscal Agent. In the case of any redemption of less than all the Outstanding Bonds of any Series either at the election of the City or from prepaid Special Taxes, the City shall, at least 60 days prior to the date fixed for redemption (unless a shorter notice shall be satisfactory to the Fiscal Agent, in its sole discretion) notify the Fiscal Agent of such redemption date and of the principal amount of Bonds of each Series to be redeemed.

SECTION 5.3. Selection by Fiscal Agent of Bonds to be Redeemed. If the City does not specify the amount of each Series to be redeemed, the Fiscal Agent shall prorate the amount of Bonds to be redeemed between all the Series in proportion to the amount of Bonds of each Series that are Outstanding. If the City does not specify the particular maturities of Bonds of a Series to be redeemed, Bonds of such Series shall be redeemed in inverse order of maturity. If less than all the Outstanding Bonds of any maturity of a Series are to be redeemed, not more than 45 days prior to the redemption date the Fiscal Agent shall select the particular Bonds to be redeemed from the Outstanding Bonds of such Series and maturity that have not previously been called for redemption, in minimum denominations of $5,000, at random in any manner that the Fiscal Agent in its sole discretion shall deem appropriate and fair.

The Fiscal Agent shall promptly notify the City in writing of the Bonds so selected for redemption and, in the case of a Bond selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Fiscal Agent Agreement, unless the context otherwise requires, all provisions relating to the redemption of Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond that has been or is to be redeemed.

SECTION 5.4. Notice of Redemption. (A) Mailed Notice. The Fiscal Agent shall mail notice of redemption by first class mail, not fewer than thirty (30) nor more than sixty (60) days prior to the redemption date, (i) to the respective Owners of any Bonds designated for redemption at their addresses appearing on the Bond Register and (ii) to the original underwriter or other first purchaser of the Bonds designated for redemption. If a Series of Bonds is not then registered solely to a Securities Depository, the Fiscal Agent shall also give notice of redemption of Bonds of such Series to the Securities Depositories and the Information Service (at the same time it mails notice of redemption to the Owners) by registered or overnight mail, or by such other method as may be acceptable to such institutions.

(B) Content of Notice. Each notice of redemption shall state (a) the date of such notice, (b) the Series designation of the Bonds, (c) the date of issue of the Series of Bonds, (d) the redemption date, (e) the Redemption Price, (f) the place or places of redemption (including the name and appropriate address or addresses of the Fiscal Agent), (g) the CUSIP number (if any) of the maturity or maturities, and (h) if less than all of any such maturity, the distinctive certificate numbers of the Bonds of such maturity to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also (a) state that on said date there will become due and payable on each of said Bonds the Redemption Price thereof or of said specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the date fixed for redemption, and (b) state that from and after such redemption date interest thereon shall cease to accrue, and (c) require that such Bonds be then surrendered at the address or addresses of the Fiscal Agent specified in the redemption notice. Neither the City nor the Fiscal Agent shall have any responsibility for any defect in the CUSIP number that appears on any Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the City nor the Fiscal Agent shall be liable for any inaccuracy in such numbers.

(C) Defects in Notice or Procedure. Failure by the Fiscal Agent to give notice to the Information Service or any one or more of the Securities Depositories or failure of any Owner to receive notice or any defect in any such notice shall not affect the sufficiency of the proceedings for redemption. A certificate by the Fiscal Agent that notice of redemption has been given as herein provided shall be conclusive as against all parties to whom such notice was given and no such party shall be entitled to show that he or she failed to receive notice of redemption. Failure by the Fiscal Agent to mail notice to any one or more of the respective Owners of any Bonds designated for redemption shall not affect the sufficiency of the proceedings for redemption with respect to the Owner or Owners to whom such notice was mailed.

(D) Conditional Notice of Redemption; Rescission of Redemption. The City may, at its option, specify in any notice of optional redemption that redemption is conditional upon the availability of money sufficient to pay the Redemption Price of all the Bonds that are to be redeemed on the date fixed for redemption. The City may, at its option, prior to the date fixed for optional redemption in any notice of redemption, rescind and cancel such notice of optional redemption by written notice to the Fiscal Agent on or prior to the date fixed for redemption. Any notice of redemption will be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute a default under this Fiscal Agent Agreement. Neither the City nor the Fiscal Agent will have any liability to the Owners or any other party as a result of the City's failure to redeem Bonds as a result of insufficient money.

SECTION 5.5. Deposit of Redemption Price. Prior to any redemption date, the City shall deposit with the Fiscal Agent an amount of money sufficient to pay the Redemption Price of all the Bonds that are to be redeemed on that date. Such money shall be held in trust for the benefit of the persons entitled to such Redemption Price.

SECTION 5.6. Bonds Payable on Redemption Date. Notice of redemption having been duly given as aforesaid and moneys for payment of the Redemption Price of the Bonds so to be redeemed being held by the Fiscal Agent, on the redemption date designated in such notice (i) the Bonds so to be redeemed shall become due and payable at the Redemption Price specified in such notice, (ii) interest on such Bonds shall cease to accrue, (iii) such Bonds shall cease to be entitled to any benefit or security under this Fiscal Agent Agreement, and (iv) the Owners of such Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price. Upon surrender of any such Bond for redemption in accordance with said notice, such Bond shall be paid by Fiscal Agent at the Redemption Price. Installments of interest due on or prior to the Redemption Date shall be payable to the Owners of the Bonds on the relevant Record Dates according to the terms of such Bonds and the provisions of Section 2.7 (Payment of Interest on Bonds; Interest Rights Preserved).

SECTION 5.7. Bonds Redeemed in Part. Upon surrender of any Bond redeemed in part only, the City shall execute and the Fiscal Agent shall authenticate and deliver to the Owner thereof, at the expense of the City, a new Bond or Bonds of the same Series of authorized denominations, and of the same maturity, equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

ARTICLE 6
DEFEASANCE

SECTION 6.1. Discharge of Fiscal Agent Agreement.

(A) Payment of Bonds. Bonds of any Series may be paid by the City in any of the following ways:

(1) by paying or causing to be paid the principal of and interest on such Bonds, as and when the same become due and payable;

(2) by depositing with the Fiscal Agent, an escrow agent or other fiduciary, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 6.3 (Deposit of Money or Securities with Fiscal Agent)) to pay or redeem such Bonds; or

(3) by delivering such Bonds to the Fiscal Agent for cancellation.

(B) Consequence of Payment of All Bonds Outstanding. If the City shall pay all Bonds Outstanding and also pay or cause to be paid all other sums payable hereunder by the City, then and in that case, at the election of the City, evidenced by a Certificate of the City filed with the Fiscal Agent signifying the intention of the City to discharge all such indebtedness and this Fiscal Agent Agreement, and notwithstanding that any Bonds shall not have been surrendered for payment, this Fiscal Agent Agreement, the pledge of Net Special Taxes and other assets made hereunder, all covenants and agreements and other obligations of the City under this Fiscal Agent Agreement, and the rights and interests created hereby (except as to any surviving rights of transfer or exchange of Bonds as provided in Section 2.5 (Registration, Transfer, and Exchange) and rights to payment from moneys deposited with the Fiscal Agent as provided in Section 6.2 (Discharge of Liability on Bonds)) shall cease, terminate, become void, and be completely discharged and satisfied. Notwithstanding the satisfaction and discharge of this Fiscal Agent Agreement, the obligations to the Fiscal Agent under Section 10.7 (Compensation and Indemnification of Fiscal Agent) and the covenants of the City to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes contained in Section 8.10 (Federal Income Tax Covenants) shall survive.

(C) Actions Upon Discharge. In such event, upon Request of the City, the Fiscal Agent shall cause an accounting for such period or periods as may be requested by the City to be prepared and filed with the City and shall execute and deliver to the City all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Fiscal Agent shall pay over, transfer, assign, or deliver to the City all moneys or securities or other property held by it pursuant to this Fiscal Agent Agreement that, as evidenced by a verification report (upon which the Fiscal Agent may conclusively rely) from a firm of certified public accountants, or other firm acceptable to the City, are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption; subject to the provisions of Section 8.10 (Federal Income Tax Covenants) and the Tax Certificate with respect to moneys in the Rebate Fund.

(D) Notice of Defeasance. If moneys or Defeasance Securities are deposited with and held by the Fiscal Agent as hereinabove provided, the Fiscal Agent shall within thirty (30) days after such money and Defeasance Securities shall have been deposited with it mail a notice, first class postage prepaid, to the Bondholders at the addresses listed on the registration books kept by the Fiscal Agent pursuant to Section 2.5 (Registration, Transfer, and Exchange), (a) setting forth the maturity or date fixed for prepayment, as the case may be, of the Bonds, (b) giving a description of the Defeasance Securities, if any, so held by it, and (c) stating that this Fiscal Agent Agreement has been discharged in accordance with the provisions of this Section.

SECTION 6.2. Discharge of Liability on Bonds. Upon the deposit with the Fiscal Agent, escrow agent or other fiduciary, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 6.3 (Deposit of Money or Securities with Fiscal Agent)) to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Article 5 (Redemption of Bonds) provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, then all liability of the City in respect of such Bond shall cease, terminate, and be completely discharged, except that thereafter (i) the Owner thereof shall be entitled to payment of the principal of and premium, if any, and interest on such Bond by the City and the City shall remain liable for such payment, but only out of such money or securities deposited with the Fiscal Agent as aforesaid for their payment, subject, however, to the provisions of Section 6.4 (Payment of Bonds After Discharge of Fiscal Agent Agreement) and (ii) the Owner thereof shall retain its rights of transfer or exchange of Bonds as provided in Section 2.5 (Registration, Transfer, and Exchange).

The City may at any time surrender to the Fiscal Agent for cancellation by it any Bonds previously issued and delivered, which the City may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

SECTION 6.3. Deposit of Money or Securities with Fiscal Agent. Whenever in this Fiscal Agent Agreement it is provided or permitted that there be deposited with or held in trust by the Fiscal Agent money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Fiscal Agent in the funds and accounts established pursuant to this Fiscal Agent Agreement and shall be:

(a) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds that are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in Article 5 (Redemption of Bonds) provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or Redemption Price of such Bonds and all unpaid interest thereon to the redemption date; or

(b) Defeasance Securities the principal of and interest on which when due will, in the opinion of an independent certified public accountant delivered to the Fiscal Agent (upon which opinion the Fiscal Agent may conclusively rely), provide money sufficient to pay the principal or Redemption Price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal or Redemption Price and interest become due, provided that, in the case of Bonds that are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article 5 (Redemption of Bonds) provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice;

provided, in each case, that the Fiscal Agent shall have been irrevocably instructed (by the terms of this Fiscal Agent Agreement or by Request of the City) to apply such money to the payment of such principal or Redemption Price and interest with respect to such Bonds.

SECTION 6.4. Payment of Bonds After Discharge of Fiscal Agent Agreement. Any moneys held by the Fiscal Agent in trust for the payment of the principal or Redemption Price of, or interest on, any Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption as provided in this Fiscal Agent Agreement), if such moneys were so held at such date, or two years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid to the City free from the trusts created by this Fiscal Agent Agreement, and all liability of the Fiscal Agent with respect to such moneys shall thereupon cease; provided that the City has certified to the Fiscal Agent that the City has complied with the provisions of Sections 50050-50056 of the California Government Code.

ARTICLE 7
PAYMENT OF BONDS

SECTION 7.1. Liability of City Limited to Special Taxes. Notwithstanding anything in this Fiscal Agent Agreement or in the Bonds contained, the City shall not be required to advance any moneys derived from any source other than the Special Taxes and other assets pledged hereunder for any of the purposes in this Fiscal Agent Agreement mentioned, whether for the payment of the principal or Redemption Price of or interest on the Bonds or for any other purpose of this Fiscal Agent Agreement.

SECTION 7.2. Deposit of Special Taxes. At each time that Special Taxes (other than Special Taxes representing prepaid Special Taxes) are received, the City will set aside therefrom and deposit into the Community Facilities Fund the amount determined by the City to be required to pay its budgeted Administrative Expenses for the period prior to the next expected distribution of Special Taxes from the County of Yolo (taking into account in such determination the amounts available in the Community Facilities Fund for payment of Administrative

Expenses), up to a total of $25,500 in Fiscal Year 2013-14, which amount shall be increased by 2% (compounded) each Fiscal Year thereafter. The City shall deposit into the Community Facilities Fund the amount of any prepaid Special Taxes that represents the "Future Facilities Amount" and the "Administrative Fees and Expenses," as those terms are defined in the Rate and Method of Apportionment. The City agrees and covenants that it will transfer the balance of the Special Taxes received (and all of the Special Taxes representing prepaid Special Taxes, except those components described in the preceding sentence) to the Fiscal Agent. The Fiscal Agent shall deposit any portion of such Special Taxes that represents prepaid Special Taxes into the Prepayment Fund. The Fiscal Agent shall deposit all other Special Taxes received into the "City of Woodland Community Facilities District No. 2004-1 (Spring Lake) Special Tax Fund," which fund the Fiscal Agent shall establish and maintain. All money in the Special Tax Fund shall be held by the Fiscal Agent in trust hereunder and shall be disbursed, allocated and applied solely to the uses and purposes hereinafter set forth in this article.

SECTION 7.3 Pledge of Net Special Taxes. Subject only to the provisions of this Fiscal Agent Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Net Special Taxes, including any prepayments thereof and proceeds from the sale of property collected pursuant to the foreclosure provisions hereof the delinquency of Special Taxes and proceeds from any security for payment of Special Taxes taken in lieu of foreclosure, and all amounts (including proceeds of the Bonds) held by the Fiscal Agent in any fund or account established hereunder (except for amounts held in the Rebate Fund) are hereby pledged to secure the payment of the principal of and interest on the Bonds in accordance with their terms and the provisions of this Fiscal Agent Agreement. This pledge shall constitute a first lien on the Net Special Taxes and amounts in such funds and shall be valid and binding from and after delivery by the Fiscal Agent of the Bonds, without any physical delivery thereof or further act. The Net Special Taxes are hereby pledged to the payment of Bonds without priority or distinction of one over the other and the Net Special Taxes constitute a trust fund for the security and payment of the interest on and principal of the Bonds; but nevertheless out of Net Special Taxes certain amounts may be applied for other purposes as provided herein. The pledge of Net Special Taxes herein made shall be irrevocable until all of the Bonds are no longer Outstanding.

SECTION 7.4. Allocation of Net Special Taxes. The Fiscal Agent shall transfer from the Special Tax Fund and deposit into the following respective accounts and funds (each of which accounts and funds are hereby created) in the following order of priority, the requirements of each such fund (including the making up of any deficiencies in any such fund resulting from lack of Net Special Taxes sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any deposit is made to any fund subsequent in priority:

(A) Interest Fund. At least one Business Day before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Fund an amount equal to the aggregate amount of interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date (excluding any interest for which there are moneys deposited in the Interest Fund from the proceeds of any Series of Bonds or other source and reserved as capitalized interest to pay such interest on such Interest Payment Date). No deposit need be made into the Interest Fund if the amount contained therein is at least equal to the interest to become due and payable on such Interest Payment Date (but excluding any moneys on deposit in the Interest Fund from the proceeds of any Series of Bonds or other source and reserved as capitalized interest to pay interest on any future Interest Payment Dates following such Interest Payment Date).

(B) Principal Fund; Sinking Accounts. At least one Business Day before each Principal Payment Date, the Fiscal Agent shall deposit in the Principal Fund an amount equal to (a) the aggregate amount of principal becoming due and payable on the Outstanding Serial Bonds of all Series on such Principal Payment Date plus (b) the aggregate amount of the Mandatory Sinking Account Payments to be paid on such Principal Payment Date into the respective Sinking Accounts for the Term Bonds of all Series for which Sinking Accounts have been created; provided that, if the City certifies to the Fiscal Agent that any principal payments shall be refunded on or prior to their respective due dates, no amounts need be set aside towards such principal to be so refunded.

No deposit need be made into the Principal Fund so long as there shall be in such fund (i) moneys sufficient to pay the principal of all Serial Bonds issued hereunder and then Outstanding and maturing by their terms within the next twelve months plus (ii) the aggregate of all Mandatory Sinking Account Payments required to be made in such twelve-month period, but less any amounts deposited into the Principal Fund during such twelve-month period and theretofore paid from the Principal Fund to redeem or purchase Term Bonds during such twelve-month period and less any principal payments that the City certifies to the Fiscal Agent will be refunded on or prior to their respective due dates.

(C) Bond Reserve Fund. On or before each Interest Payment Date, the Fiscal Agent shall deposit in the Bond Reserve Fund, except as otherwise provided in Section 7.7 (Funding and Application of Bond Reserve Fund), the amount required to restore the balance in the Bond Reserve Fund to an amount equal to the Bond Reserve Requirement. The Fiscal Agent shall promptly notify the City of any deficiencies in the Bond Reserve Fund.

(D) Community Facilities Fund. The Fiscal Agent shall transfer to the City all money remaining in the Special Tax Fund on September 5 of each year, after transferring all of the sums required to be transferred therefrom on or prior to such date by the provisions of the foregoing subsections (A), (B), and (C) of this Section, for deposit into the "City of Woodland Community Facilities District No. 2004-1 (Spring Lake) Community Facilities Fund," which fund the City shall establish and maintain. The City shall use the money in the Community Facilities Fund solely for the payment of costs of the Facilities, payment of Administrative Expenses, payments of debt service on subordinate obligations, or otherwise for the benefit of the CFD in accordance with the Law.

SECTION 7.5. Application of Interest Fund; Capitalized Interest Accounts. (A) Application of Interest Fund. All amounts in the Interest Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity pursuant to this Fiscal Agent Agreement).

(B) Capitalized Interest Accounts. With respect to each Series of Bonds for which proceeds of the sale thereof are required to be set aside to pay interest on the Bonds, the Fiscal Agent (if so instructed by this Fiscal Agent Agreement or the Supplemental Fiscal Agent

Agreement providing for the issuance of such Series) shall establish and maintain a separate account within the Interest Fund designated as the "___________ Capitalized Interest Account" (inserting therein the Series designation of such Bonds). Moneys in a Capitalized Interest Account shall be transferred by the Fiscal Agent and deposited in the Interest Fund in the amounts and at the times specified herein or in the Supplemental Fiscal Agent Agreement providing for the issuance of such Series.

SECTION 7.6. Application of Principal Fund; Sinking Accounts.

(A) Application of Principal Fund. All amounts in the Principal Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of paying the principal of the Bonds when due and payable, except that all amounts in the Sinking Accounts shall be used and withdrawn by the Fiscal Agent solely to purchase or redeem or pay at maturity Term Bonds, as provided herein.

(B) Sinking Accounts. The Fiscal Agent shall establish and maintain within the Principal Fund a separate account for the Term Bonds of each Series and maturity, designated as the "_____ Sinking Account," inserting therein the Series and maturity designation of such Bonds. On the Business Day prior to any date upon which a Mandatory Sinking Account Payment is due, the Fiscal Agent shall transfer the amount of such Mandatory Sinking Account Payment from the Principal Fund to the applicable Sinking Account. With respect to each Sinking Account, on each Mandatory Sinking Account Payment date established for such Sinking Account, the Fiscal Agent shall apply the Mandatory Sinking Account Payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds of such Series and maturity for which such Sinking Account was established, upon the notice and in the manner provided in the Supplemental Fiscal Agent Agreement pursuant to which such Series of Bonds was created; provided that, at any time prior to giving such notice of such redemption, the Fiscal Agent shall, upon receipt of a Request of the City, apply moneys in such Sinking Account to the purchase of Term Bonds of such Series and maturity at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Fund) as is directed by the City, except that the purchase price (excluding accrued interest) shall not exceed the principal amount thereof. If, during the twelve-month period immediately preceding said Mandatory Sinking Account Payment date, the Fiscal Agent has purchased Term Bonds of such Series and maturity with moneys in such Sinking Account, or, during said period and prior to giving said notice of redemption, the City has deposited Term Bonds of such Series and maturity with the Fiscal Agent, or Term Bonds of such Series and maturity were at any time purchased or redeemed by the Fiscal Agent from the Prepayment Fund or other source of funds and allocable to said Mandatory Sinking Account Payment, such Term Bonds so purchased or deposited or redeemed shall be applied, to the extent of the full principal amount thereof, to reduce said Mandatory Sinking Account Payment.

Any amounts remaining in a Sinking Account when all of the Term Bonds for which such account was established are no longer Outstanding shall be withdrawn by the Fiscal Agent and transferred to the City for deposit into the Community Facilities Fund.

All Term Bonds purchased from a Sinking Account or deposited by the City with the Fiscal Agent in a twelve-month period ending July 31 shall be allocated first to the next succeeding Mandatory Sinking Account Payment for such Series and maturity of Term Bonds, then as a credit against such future Mandatory Sinking Account Payments for such Series and maturity of Term Bonds as may be specified in a Request of the City. All Term Bonds redeemed by the Fiscal Agent from the Prepayment Fund or other source of funds shall be credited to such future Mandatory Sinking Account Payments for such Series and maturity of Term Bonds as may be specified in a Request of the City.

SECTION 7.7. Funding and Application of Bond Reserve Fund. (A) Letter of Credit. In lieu of making the Bond Reserve Requirement deposit in compliance with Sections 4.1(B) (Issuance of Additional Series of Bonds -- Bond Reserve Fund) and 7.4 (Allocation of Net Special Taxes), or in replacement of moneys then on deposit in the Bond Reserve Fund (which shall be transferred by the Fiscal Agent to the City for deposit into the Community Facilities Fund), the City may deliver to the Fiscal Agent an irrevocable letter of credit issued by a financial institution having unsecured debt obligations rated in one of the two highest Rating Categories of Moody's and Standard & Poor's, in an amount, together with moneys, Investment Securities, insurance policies, or surety bonds (as described in Section 7.7(B) (Insurance Policy)) on deposit in the Bond Reserve Fund, equal to the Bond Reserve Requirement. Such letter of credit shall have a term no less than three (3) years or, if less, the maturity of the Series of Bonds in connection with which such letter of credit was obtained and shall provide by its terms that it may be drawn upon as provided in this Section. At least one year prior to the stated expiration of such letter of credit, the City shall either (i) deliver a replacement letter of credit, (ii) deliver an extension of the letter of credit for at least an additional year or, if less, the maturity of the Series of Bonds in connection with which such letter of credit was obtained, or (iii) deliver to the Fiscal Agent an insurance policy or surety bond satisfying the requirements of Section 7.7(B) (Insurance Policy). Upon delivery of such replacement letter of credit, extended letter of credit, insurance policy, or surety bond, the Fiscal Agent shall deliver the then-effective letter of credit to or upon the order of the City. Alternatively, the City shall include in the Special Taxes to be collected the amount needed to restore the amount on deposit in the Bond Reserve Fund to an amount equal to the Bond Reserve Requirement by no later than one week prior to the stated expiration date of the letter of credit. If an amount equal to the Bond Reserve Requirement as of the date following the expiration of the letter of credit is not on deposit in the Bond Reserve Fund one week prior to the expiration date of the letter of credit (excluding from such determination the letter of credit), the Fiscal Agent shall draw on the letter of credit to fund the deficiency resulting therefrom in the Bond Reserve Fund.

(B) Insurance Policy. In lieu of making the Bond Reserve Requirement deposit in compliance with Sections 4.1(B) (Issuance of Additional Series of Bonds -- Bond Reserve Fund) and 7.4 (Allocation of Net Special Taxes), or in replacement of moneys then on deposit in the Bond Reserve Fund (which shall be transferred by the Fiscal Agent to the City for deposit into the Community Facilities Fund), the City may also deliver to the Fiscal Agent an insurance policy or surety bond securing an amount, together with moneys, Investment Securities or letters of credit on deposit in the Bond Reserve Fund, no less than the Bond Reserve Requirement issued by an insurance company whose unsecured debt obligations (or for which obligations secured by such insurance company's insurance policies or surety bonds) are rated at the time of delivery of the policy in one of the two highest Rating Categories of Moody's and Standard &

Poor's. Such insurance policy or surety bond shall have a term of no less than the maturity of the Series of Bonds in connection with which such insurance policy or surety bond was obtained. In the event that such insurance policy or surety bond for any reason lapses or expires, the City shall immediately implement (i) or (iii) of the preceding paragraph or make the required deposits to the Bond Reserve Fund.

(C) Application of Bond Reserve Fund. (1) Payment of Debt Service Deficiencies. All amounts in the Bond Reserve Fund (including all amounts that may be obtained from letters of credit, insurance policies, and surety bonds on deposit in the Bond Reserve Fund) shall be used and withdrawn by the Fiscal Agent, as hereinafter provided, solely for the purpose of making up any deficiency in the Interest Fund or the Principal Fund. The portion of the Bond Reserve Fund held in cash or Investment Securities may be used (together with any other moneys available therefor) for the payment or redemption of all Bonds then Outstanding; such portion may also be used for the redemption of or the payment of the final principal and interest payment of a Series of Bonds if, following such redemption or payment, the amounts in the Bond Reserve Fund (including the amounts that may be obtained from letters of credit, insurance policies, and surety bonds on deposit therein) will equal the Bond Reserve Requirement. The Fiscal Agent shall first draw on the portion of the Bond Reserve Fund held in cash or Investment Securities and then, on a pro rata basis with respect to the portion of the Bond Reserve Fund held in the form of letters of credit, insurance policies, and surety bonds (calculated by reference to the maximum amounts of such letters of credit, insurance policies, and surety bonds), draw on each letter of credit and collect under each insurance policy or surety bond issued with respect to the Bond Reserve Fund, in a timely manner and pursuant to the terms of such letter of credit, insurance policy, or surety bond to the extent necessary in order to obtain sufficient funds on or prior to the date such funds are needed to pay the principal of, Mandatory Sinking Account Payments with respect to, and interest on the Bonds when due.

(2) Repayment of Amounts Recovered as Preferences in Bankruptcy. If the Fiscal Agent has notice that any payment of principal of or interest on a Bond has been recovered from a Bondowner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Fiscal Agent, pursuant to and provided that the terms of the letter of credit, insurance policy, or surety bond if any, securing the Bonds so provide, shall so notify the City thereof and draw on such letter of credit or collect under such insurance policy or surety bond to the lesser of the extent required or the maximum amount of such letter of credit, insurance policy, or surety bond in order to pay to such Bondowners the principal and interest so recovered. If and to the extent that the Bond Reserve Requirement is satisfied by a deposit of cash or Investment Securities and one or more letters of credit, insurance policies, or surety bonds (or any combination thereof), the Fiscal Agent shall first draw on the portion of the Bond Reserve Fund held in cash or Investment Securities and then make drawings under such letters of credit, insurance policies, or surety bonds shall be made on a pro rata basis (calculated by reference to the maximum amounts of such letters of credit, insurance policies, and surety bonds).

The City shall reimburse draws upon any letter of credit, insurance policy, or surety bond that satisfies the Bond Reserve Requirement in whole or in part in accordance with the terms of this Agreement and any insurance agreement or reimbursement agreement between the City and the provider of such security instruments. Any such reimbursement shall only be made from Net Special Taxes.

(3) Reimbursement of Draws on Letters of Credit and Insurance Policies. If a drawing is made on a letter of credit, insurance policy, or surety bond, the Fiscal Agent shall use amounts deposited in the Bond Reserve Fund by the City following such draw first to make the payments required by the terms of the letter of credit, insurance policy, surety bond, or related reimbursement or loan agreement so that the letter of credit, insurance policy, or surety bond shall (absent the delivery to the Fiscal Agent of a substitute letter of credit, insurance policy, or surety bond satisfying the requirements of this Section or the deposit in the Bond Reserve Fund of an amount sufficient to increase the balance in the Bond Reserve Fund to the Bond Reserve Requirement) be reinstated in the amount of such drawing within one year of the date of such drawing. After such reinstatement, the Fiscal Agent shall use amounts deposited in the Bond Reserve Fund by the City for the replenishment of the portion of Bond Reserve Fund held in cash or Investment Securities.

(4) Surplus Amounts. The City may withdraw and apply to the redemption of Bonds the amount by which the balance in the Bond Reserve Fund would have otherwise exceeded the Bond Reserve Requirement upon such redemption. Any amounts in the Bond Reserve Fund in excess of the Bond Reserve Requirement shall be transferred by the Fiscal Agent to the City on September 1 of each year for deposit into the Community Facilities Fund; provided that such amounts shall be transferred only from the portion of the Bond Reserve Fund held in the form of cash or Investment Securities.

SECTION 7.8. Application of Prepayment Fund. The Fiscal Agent shall establish, maintain and hold in trust a special fund designated as the "Prepayment Fund." All moneys representing prepaid Special Taxes that are deposited by the City with the Fiscal Agent shall be deposited in the Prepayment Fund. Except as provided below, all amounts deposited in the Prepayment Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of redeeming Bonds of any Series, in the manner, at the times and upon the terms and conditions specified in Section 3.2(D) (Mandatory Redemption from Special Tax Prepayments) or in the Supplemental Fiscal Agent Agreement pursuant to which the Bonds to be redeemed were issued; provided that, at any time prior to giving such notice of redemption, the Fiscal Agent shall, upon receipt of a Request of the City, apply such amounts to the purchase of Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Fund) as is directed by the City, except that the purchase price (exclusive of such accrued interest) may not exceed the Redemption Price then applicable to such Bonds. All Term Bonds purchased or redeemed from the Prepayment Fund shall be allocated to Mandatory Sinking Account Payments applicable to such Series and maturity of Term Bonds as may be specified in a Request of the City. Following a redemption of Bonds from the Prepayment Fund, the Fiscal Agent shall transfer any remaining amount that represented the amount deposited that exceeded an even multiple of $5,000 to the City for deposit into the Special Tax Fund.

SECTION 7.9. Rebate Fund. The Fiscal Agent shall establish and maintain a fund designated as the "Rebate Fund" separate from any other fund held by the Fiscal Agent. The Fiscal Agent shall deposit moneys into and disburse moneys from the Rebate Fund pursuant to written instructions from the City. The Fiscal Agent shall be deemed conclusively to have complied with the provisions of this Section and the Tax Certificate if it follows the instructions of the City, including to supply all necessary information in the manner specified in the Tax Certificate. In the absence of written instructions from the City, the Fiscal Agent shall not be required to take any action with respect to the Rebate Fund or the Tax Certificate and shall have no liability or responsibility to enforce compliance by the City with the terms of the Tax Certificate.

SECTION 7.10. Investment of Moneys in Funds and Accounts. All moneys in any of the funds and accounts held by the Fiscal Agent and established pursuant to this Fiscal Agent Agreement shall be invested solely as directed by the City, solely in Investment Securities. All Investment Securities shall, as directed by the City in writing or by telephone, promptly confirmed in writing, be acquired subject to the limitations set forth in Section 8.10 (Federal Income Tax Covenants), the limitations as to maturities hereinafter in this Section set forth and such additional limitations or requirements consistent with the foregoing as may be established by Request of the City and not inconsistent with the duties of the Fiscal Agent hereunder. In absence of any written direction from the City, the Fiscal Agent shall invest, to the extent reasonably practicable any such moneys in item (a) of the definition of Investment Securities, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder and otherwise hold such amounts uninvested.

Moneys in the Bond Reserve Fund shall be invested in Investment Securities maturing or available on demand within ten years of the date of such investment. Moneys in the remaining funds and accounts shall be invested in Investment Securities maturing or available on demand not later than the date on which it is estimated that such moneys will be required by the Fiscal Agent.

Unless otherwise provided in a Supplemental Fiscal Agent Agreement all interest, profits, and other income received from the investment of moneys in: (1) the Rebate Fund shall be deposited in the Rebate Fund, except as otherwise directed by the City in accordance with Section 8.10 (Federal Income Tax Covenants); (2) the Costs of Issuance Fund and the Acquisition and Construction Fund shall be deposited (or, with respect to any of these accounts or funds held by the Fiscal Agent, transferred by the Fiscal Agent to the City for deposit) when received into the Acquisition and Construction Fund, and (3) all other funds and accounts shall be deposited therein. Notwithstanding anything to the contrary contained in this paragraph, an amount of interest received with respect to any Investment Security equal to the amount of accrued interest, if any, paid as part of the purchase price of such Investment Security shall be credited to the fund or account from which such accrued interest was paid net of any excess paid to the City pursuant to section 7.7(C)(4) hereunder.

All Investment Securities credited to the Bond Reserve Fund shall be valued as of September 1 of each year at their market value determined to the extent practical by reference to the closing bid price thereof published in the Wall Street Journal or any other financial publication or quotation service selected by the Fiscal Agent in its discretion, including those available through its regular accounting system.

The Fiscal Agent may commingle any of the funds or accounts established pursuant to this Fiscal Agent Agreement into a separate fund or funds for investment purposes only, provided that all funds or accounts held by the Fiscal Agent hereunder shall be accounted for separately as required by this Fiscal Agent Agreement.

The Fiscal Agent or any of its affiliates may act as principal or agent in the making or disposing of any investment made by the Fiscal Agent hereunder and, with the prior written consent of the City, may impose its customary charge therefor. The Fiscal Agent may sell, or present for redemption, any Investment Securities so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Investment Security is credited, and the Fiscal Agent shall not be liable or responsible for any loss resulting from such investment. The City acknowledges that, to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grants the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent will furnish the City with periodic cash transaction statements that include detail for all investment transactions made by the Fiscal Agent hereunder. The Fiscal Agent shall not be required to determine the legality of any investments. The Fiscal Agent may make any investments hereunder through its own bond or investment department or trust investment department or those of its parent or any affiliate.

The Fiscal Agent shall keep proper books of record and accounts containing complete and correct entries of all transactions made by it relating to the receipt, investment, disbursement, allocation and application of the moneys related to the Bonds, including moneys derived from, pledged to, or to be used to make payments on the Bonds. Such records shall specify the account or fund to which each investment (or portion thereof) held by the Fiscal Agent is to be allocated and shall set forth, in the case of each investment security, (a) its purchase price, (b) identifying information, including par amount, coupon rate, and payment dates, (c) the amount received at maturity or its sale price, as the case may be, including accrued interest, (d) the amounts and dates of any payments made with respect thereto, and (e) the dates of acquisition and disposition or maturity.

The Fiscal Agent shall also provide to the City, in accordance with a Request of the City, with respect to each Investment Security such documentation as is reasonably available to the Fiscal Agent and is required by the Code or other applicable law to be obtained by the City as evidence to establish that all investments have been acquired and disposed of on an established market in arm's-length transactions at a price equal to their fair market value and with no amounts have been paid to reduce the yield on the investments, or shall be United States Treasury Obligations-State and Local Government Series as set forth in the Tax Certificate.

SECTION 7.11. Funds and Accounts. Any fund required by this Fiscal Agent Agreement to be established and maintained by the Fiscal Agent may be established and maintained in the accounting records of the Fiscal Agent either as a fund or an account and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds shall at all times be maintained in accordance with customary standards of the corporate trust industry, to the extent practicable, and with due regard for the protection of the security of the Bonds and the rights of every Owner thereof.

SECTION 7.12. Money Held for Particular Bonds. The money held by the Fiscal Agent for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it uninvested for the Owners of the Bonds entitled thereto, subject, however, to the provisions of Section 6.4 (Payment of Bonds After Discharge of Fiscal Agent Agreement).

ARTICLE 8
COVENANTS OF THE CITY

SECTION 8.1. Power to Issue Bonds and Make Pledge. The City is duly authorized pursuant to the law to issue the Bonds and to enter into this Fiscal Agent Agreement and to pledge the Net Special Taxes and other assets purported to be pledged under this Fiscal Agent Agreement in the manner and to the extent provided in this Fiscal Agent Agreement. The Bonds and the provisions of this Fiscal Agent Agreement are and will be the valid and binding limited obligations of the City in accordance with their terms.

SECTION 8.2. Limitations on Liens. The City will not create any pledge, lien or charge upon any of the Net Special Taxes or other amounts pledged hereunder having priority over or having parity with the lien of the Bonds while any of the Bonds are Outstanding, except only as permitted in Section 4.1 (Issuance of Additional Series of Bonds).

SECTION 8.3. Levy and Collection of the Special Taxes; Maintenance of Net Special Taxes; Expense Budgets.

(A) Levy and Collection of the Special Taxes. The City covenants that, so long as any of the Bonds are Outstanding, and subject to the maximum rates of Special Taxes that it is authorized to levy on Taxable Property, it will annually levy and make provision for the collection of the Special Taxes in amounts that will be sufficient, after making reasonable allowances for contingencies and errors in the estimates, to yield proceeds equal to the amounts required for compliance with the agreements, conditions, covenants, and terms contained herein, and that in any event will be sufficient (1) to pay the interest on and principal of and Mandatory Sinking Account Payments for, and to accumulate funds to pay future debt service on, the Bonds as they become due and payable, (2) to replenish the Bond Reserve Fund to the Bond Reserve Requirement, (3) to cure any delinquencies in the payment of the principal of or interest on the Bonds that have occurred in the prior Fiscal Year or are expected to occur in the Fiscal Year in which the tax will be collected, and (4) to pay all current Administrative Expenses as they become due and payable in accordance with the provisions hereof. The Special Taxes shall be collected in the same manner as ordinary ad valorem property taxes are collected and, except as otherwise provided in Section 8.7 (Covenant to Foreclose) and in the Law, shall be subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for ad valorem property taxes.

(B) Maintenance of Net Special Taxes. The City covenants and agrees to not consent to or conduct proceedings with respect to a reduction in the Special Taxes that may be levied in the CFD below an amount, for any Fiscal Year, equal to 110% of Annual Debt Service due and payable with respect to the Bonds in the Bond Year ending on the September 1 immediately following such Fiscal Year, plus 100% of the City's reasonable estimate of Administrative Expenses for such Fiscal Year; provided, however, that the City may at any time reduce the Net Special Taxes to the extent that the amount of Special Taxes that would result from levying the Special Taxes at such maximum amounts would result in an amount of Special Taxes in excess of the amount required to comply with such covenant. The City hereby acknowledges that Owners of Outstanding Bonds are purchasing the Bonds in reliance upon the foregoing covenant and that the covenant is necessary to assure the full and timely payment of the Bonds.

(C) Expense Budget. The City will, on or before August 1 in each year, adopt a budget for the Fiscal Year setting forth the estimated Administrative Expenses for such Fiscal Year; provided that any budget adopted in accordance with this section may be amended at any time.

SECTION 8.4. Punctual Payment and Performance. The City will punctually pay or cause to be paid the principal or Redemption Price and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Fiscal Agent Agreement, according to the true intent and meaning thereof, and shall punctually pay or cause to be paid all Mandatory Sinking Account Payments, but in each case only out of Net Special Taxes as provided in this Fiscal Agent Agreement. The City will faithfully observe and perform all of the conditions, covenants, and terms contained herein and in the Bonds required to be observed and performed by it.

SECTION 8.5. Extension of Payment of Bonds. The City will not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any or claims for interest by any arrangement and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Fiscal Agent Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon that shall not have been so extended. Nothing in this Section shall be deemed to limit the right of the City to issue bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

SECTION 8.6. Limits on Special Tax Waivers and Bond Tenders. The City covenants not to exercise its rights under the Law to waive delinquency and redemption penalties related to or to declare an amnesty program with respect to such delinquency and redemption penalties related to the Special Taxes if to do so would materially and adversely affect the interests of the Owners of Outstanding Bonds. The City further covenants not to permit the tender of Bonds in payment of any Special Taxes except upon receipt of a certificate of an independent certified public accountant that to accept such tender will not result in the City's having insufficient Special Tax revenues to pay the principal of and interest on the Bonds that will remain Outstanding following such tender.

SECTION 8.7. Covenant to Foreclose. (A) Annual Review. If at any time the payment to the City by Yolo County of the Special Taxes levied by the City is not subject to the "Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds," being Revenue and Taxation Code section 4701-4717 (the "Teeter Plan"), the City will annually review the public records of Yolo County relating to the collection of the Special Taxes in order to determine, by a date not later than August 1 of each year, the amount of Special Taxes collected and the amount thereof delinquent in the prior Fiscal Year.

(B) Individual Delinquencies. If the Teeter Plan is not in effect with respect to the Special Taxes and the City determines on the basis of such review that the Special Tax with respect to any single parcel of Taxable Property is delinquent by more than two thousand five hundred dollars ($2,500), then the City shall send a notice of delinquency and a demand for immediate payment thereof to the owner of the parcel by August 15. If the delinquency is not cured by November 1, the City will institute, prosecute, and pursue foreclosure proceedings to judgment and sale in order to enforce the lien of the delinquent installments of Special Taxes against such property owner's parcel(s).

(C) Aggregate Delinquencies or Concentration of Ownership. If the Teeter Plan is not in effect with respect to the Special Taxes and the City determines on the basis of such review that the amount of Special Taxes received was less than ninety-five per cent (95%) of the amount of Special Taxes levied in the Fiscal Year, then, by September 5, the City shall send a notice of delinquency and a demand for immediate payment thereof to each owner of a parcel with respect to which the Special Tax is delinquent. If a delinquency with respect to a parcel is not cured by November 1, the City will institute, prosecute, and pursue foreclosure proceedings to judgment and sale in order to enforce the lien of the delinquent installments of Special Taxes against the parcel.

SECTION 8.8. Preservation of Rights of Owners. The City and the Fiscal Agent, subject to the provisions of this Fiscal Agent Agreement, shall at all times, to the extent permitted by law, defend, preserve, and protect the pledge of Net Special Taxes and other assets and all the rights of the Bondholders under this Fiscal Agent Agreement against all claims and demands of all persons whomsoever.

SECTION 8.9. Waiver of Laws. The City will not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Fiscal Agent Agreement or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the City to the extent permitted by law.

SECTION 8.10. Federal Income Tax Covenants. The City shall at all times do and perform all acts and things permitted by law and this Fiscal Agent Agreement that are necessary and desirable in order to assure that interest paid on the Bonds will be excluded from gross income for federal income tax purposes and shall take no action that would result in such interest not being so excluded; provided that, prior to the issuance of any Series of Bonds, the City may exclude the application of the covenants contained in this Section to such Series of Bonds. Without limiting the generality of the foregoing, the City agrees to comply with the provisions of the Tax Certificate. This covenant shall survive the defeasance or payment in full of the Bonds.

SECTION 8.11. Accounting for Special Taxes. The City will at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with generally accepted accounting principles, in which complete and accurate entries shall be made of all transactions relating to the receipt and disbursement of the Special Taxes (including the expenditure of moneys from the Special Tax Fund). Such books of record and account shall be available for inspection by the Fiscal Agent at reasonable hours and under reasonable circumstances.

SECTION 8.12. Annual and Extraordinary Reports.

(A) Annual Report to City Council. Pursuant to Government Code sections 50075.3 and 53411, on or before October 30 in each year, as long as the Bonds are Outstanding the Finance Director shall prepare and file with the City Council a report containing (1) the amount of Special Taxes levied and collected in the preceding Fiscal Year, (2) the amount of funds available in the Acquisition and Construction Fund and the Community Facilities Fund, and (3) the status of the acquisition and construction of the Facilities.

(B) Annual Report to CDIAC. Pursuant to Government Code sections 53359.5(b), on or before October 30 in each year, as long as any Bonds are Outstanding, the City shall mail, postage prepaid, a report to CDIAC comprising the following data, all as of July 1 of such year:

(1) the City's name;

(2) the CFD's number and name;

(3) the name and title of the Bonds;

(4) the credit rating of the Bonds and the rating agency that provided the rating;

(5) the date of issuance of the Bonds and their original principal amount;

(6) the Bond Reserve Requirement;

(7) the principal amount of Bonds Outstanding;

(8) the balance in the Bond Reserve Fund;

(9) the balance in any Capitalized Interest Account;

(10) the following information concerning delinquent Special Taxes:

(a) the number of parcels of Taxable Property that are delinquent with respect to their payment of Special Taxes;

(b) the amount by which such parcels of Taxable Property are delinquent;

(c) the total amount of Special Taxes due on the delinquent parcels;

(d) the length of time that each such parcel of Taxable Property has been delinquent;

(e) whether and when foreclosure proceedings were commenced with respect to each such parcel of Taxable Property;

(f) the total number of parcels with respect to which foreclosure proceedings are pending; and

(g) the total amount of tax due on the foreclosure parcels for each date specified;

(11) the amount on deposit in the Acquisition and Construction Fund;

(12) the assessed value of all parcels of Taxable Property as shown on the last equalized assessment roll of Yolo County;

(13) the total amount of Special Taxes levied in the prior Fiscal Year, the total amount of unpaid Special Taxes for that Fiscal Year, and whether the Special Taxes are paid to the City pursuant to the Teeter Plan;

(14) if applicable, the reason and the date that the issue was retired; and

(15) contact information for the City officer providing the information.

(C) Extraordinary Reports to CDIAC. If the City knows that either of the events identified in Section 10.14(B) (Notice to CDIAC) has occurred and by the fifteenth day after such occurrence has not received a copy of the notice required of the Fiscal Agent in such event, then the City shall mail, postage prepaid, a notice of the occurrence to CDIAC as soon as possible thereafter.

(D) No Liability to Owners. The City shall not be liable to any Owners for failure to deliver any of the reports or notices required by this Section or for any error in the information contained in any such report or notice.

SECTION 8.13. Further Assurances. The City will adopt, make, execute and deliver any and all such resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Fiscal Agent Agreement and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Fiscal Agent Agreement.

ARTICLE 9
EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS

SECTION 9.1. Events of Default. The following events shall be Events of Default:

(A) Principal Payment Default. default in the due and punctual payment of the principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise, or default in the redemption from any Sinking Account of any Bonds in the amounts and at the times provided therefor;

(B) Interest Payment Default. default in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable; and

(C) Other Covenant Default. if the City shall fail to observe or perform any covenant, condition, agreement or provision in this Fiscal Agent Agreement on its part to be observed or performed, other than as referred to in subsection (A) or (B) of this Section, for a period of sixty (60) days after written notice, specifying such failure and requesting that it be remedied, has been given to the City; except that, if such failure can be remedied but not within such sixty (60) day period and if the City has taken all action reasonably possible to remedy such failure within such sixty (60) day period, such failure shall not become an Event of Default for so long as the City shall diligently proceed to remedy same.

SECTION 9.2. Remedies of Bondholders. Upon the occurrence and continuance of an Event of Default, any Owner shall have the right for the equal benefit and protection of all Owners similarly situated

(A) by mandamus or other action, suit, or proceeding at law or in equity to enforce the Owners' rights against the City Council or the City or any of the officers or employees of the City, and to compel the City Council or the City or any such officers or employees to perform and carry out their duties under the Law and the agreements and covenants with the Owners contained herein;

(B) by suit in equity to enjoin any acts or things that are unlawful or violate the rights of the Owners; or

(C) by suit in equity upon the nonpayment of the Bonds to require the City Council or the City or its officers and employees to account as the trustee of an express trust.

SECTION 9.3. Application of Money Collected. If an Event of Default shall occur and be continuing, the Fiscal Agent shall apply all funds then held or thereafter received by the Fiscal Agent under any of the provisions of this Fiscal Agent Agreement (except as otherwise provided in this Fiscal Agent Agreement) as follows and in the following order:

First: To the payment of reasonable fees and expenses of the Fiscal Agent (including reasonable fees and disbursements of its counsel and other agents) incurred in and about the performance of its duties under this Fiscal Agent Agreement;

Second: To the payment of the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the persons entitled thereto, without any discrimination or preference; and

Third: To the payment of the persons entitled thereto of the unpaid principal of any Bonds that shall have become due, whether at maturity or by call for redemption, in the order of their due dates, with interest on the overdue principal at the rate borne by the respective Bonds, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference.

SECTION 9.4. Restoration of Positions. In case any proceedings taken by any one or more Bondholders on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Bondholders, then in every such case the City and the Bondholders, subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers, and duties of the City and the Bondholders shall continue as though no such proceedings had been taken.

SECTION 9.5. Rights and Remedies Cumulative. No right or remedy herein conferred upon or reserved to the Owners of the Bonds is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right or remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 9.6. Delay or Omission Not Waiver. No delay or omission of any Owner of the Bonds to exercise any right or remedy accruing upon an Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Fiscal Agent Agreement or by law to the Owners of the Bonds may be exercised from time to time, and as often as may be deemed expedient, by the Owners.

ARTICLE 10
THE FISCAL AGENT

SECTION 10.1. Appointment of Fiscal Agent. U.S. Bank National Association is hereby appointed as Fiscal Agent, paying agent, bond registrar, and authenticating agent for the Bonds under this Fiscal Agent Agreement and hereby accepts the duties imposed upon it as Fiscal Agent hereunder and to perform all the functions and duties of the Fiscal Agent hereunder, subject to the terms and conditions set forth in this Fiscal Agent Agreement.

SECTION 10.2. Certain Duties and Responsibilities.

(A) Duties Limited to Those Specified. The Fiscal Agent undertakes to perform such duties and only such duties as are specifically set forth in this Fiscal Agent Agreement and no implied covenants shall be read into this Fiscal Agent Agreement against the Fiscal Agent.

(B) Reliance on Documents. In the absence of bad faith on its part the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of this Fiscal Agent Agreement; but in the case of any such certificates or opinions that by any provision hereof are specifically required to be furnished to the Fiscal Agent, the Fiscal Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of the Fiscal Agent Agreement.

(C) Immunities of Fiscal Agent. No provision of this Fiscal Agent Agreement shall be construed to relieve the Fiscal Agent from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(1) this Subsection shall not be construed to limit the effect of Subsection A of this Section;

(2) the Fiscal Agent shall not be liable for any error of judgment made in good faith by a responsible officer, unless it shall be proved that the Fiscal Agent was negligent in ascertaining the pertinent facts; and

(3) no provision of this Fiscal Agent Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(D) Immunities Applicable to All Provisions of Fiscal Agent Agreement. Whether or not therein expressly so provided, every provision of this Fiscal Agent Agreement relating to the conduct or affecting the liability of or affording protection to the Fiscal Agent shall be subject to the provisions of this Article 10 (The Fiscal Agent).

SECTION 10.3. Notice of Defaults. Within 90 days after the occurrence of any default hereunder, the Fiscal Agent shall transmit by mail to all Owners of Bonds as their names and addresses appear on the Bond Register notice of such default hereunder known to the Fiscal Agent, unless such default shall have been cured or waived. For purposes of this Section, the term "default" means any event that is, or after notice or lapse of time or both would become, and Event of Default.

SECTION 10.4. Certain Rights of Fiscal Agent; Liability of Fiscal Agent. Except as otherwise provided in Section 10.2 (Certain Duties and Responsibilities):

(A) Reliance on Documents Believed Genuine. the Fiscal Agent may rely and shall be protected in acting or refraining from acting upon any requisition, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, note, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(B) Documentation of City's Directions. any request or direction of the City mentioned herein shall be sufficiently evidenced by a Certificate, Statement, Request, Requisition, or Order of the City;

(C) Reliance on City Certificate. whenever in the fulfillment of the obligations imposed upon it by this Fiscal Agent Agreement the Fiscal Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action hereunder, the Fiscal Agent (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon a Certificate of the City, but in its discretion the

Fiscal Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable;

(D) Reliance on Advice of Counsel. the Fiscal Agent may consult with counsel, including, without limitation, counsel of or to the City, and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered, or omitted by the Fiscal Agent hereunder in good faith and in reliance thereon;

(E) Investigation of Factual Matters. the Fiscal Agent shall not be bound to make any investigation into the facts or matters stated in any requisition, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, coupon or other paper or document, but the Fiscal Agent, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Fiscal Agent shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the City, personally or by agent or attorney.

(F) Performance of Duties by Agents. the Fiscal Agent may 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 trust and its duty hereunder, but the Fiscal Agent shall be answerable for the negligence or misconduct of any such attorney-in-fact, agent, or receiver selected by it; provided that the Fiscal Agent shall not be answerable for the negligence or misconduct of any attorney-in-law or certified public accountant selected by it with due care.

SECTION 10.5. Fiscal Agent Not Responsible for Recitals or Issuance of Bonds or Application of Proceeds.

(A) Fiscal Agent Makes No Representations. The recitals of facts herein and in the Bonds contained shall be taken as statements of the City, and the Fiscal Agent assumes no responsibility for the correctness of the same (other than the certificate of authentication of the Fiscal Agent on each Bond). The Fiscal Agent makes no representations as to the validity or sufficiency of this Fiscal Agent Agreement or of the Bonds, as to the sufficiency of the Net Special Taxes or the priority of the lien of this Fiscal Agent Agreement thereon, or as to the financial or technical feasibility of any project financed by the Bonds and shall not incur any responsibility in respect of any such matter, other than in connection with the duties or obligations expressly herein or in the Bonds assigned to or imposed upon it. The Fiscal Agent makes no representations with respect to any information, statement, or recital in, and shall have no liability with respect to, any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

(B) Fiscal Agent Not Responsible for Application of Certain Moneys. The Fiscal Agent shall not be responsible for:

(1) the application or handling by the City of any Special Taxes or other moneys transferred to or pursuant to any Requisition or Request of the City in accordance with the terms and conditions hereof;

(2) the application and handling by the City of the Community Facilities Fund or any other fund or account designated to be held by the City hereunder;

(3) any error or omission by the City in making any computation or giving any instruction pursuant to Section 8.10 (Federal Income Tax Covenants) hereof and may rely conclusively on any computations or instructions furnished to it by the City in connection with the requirements of Section 8. 10 (Federal Income Tax Covenants) and the Tax Certificate;

(4) the construction, operation, or maintenance of any Facilities by the City.

SECTION 10.6. Fiscal Agent May Hold Bonds. The Fiscal Agent and its directors, officers, employees or agents may in good faith buy, sell, own, hold, and deal in any of the Bonds and may join in any action that any Owner of a Bond may be entitled to take, with like effect as if the Fiscal Agent were not the Fiscal Agent under this Fiscal Agent Agreement. The Fiscal Agent may in good faith hold any other form of indebtedness of the City, own, accept or negotiate any drafts, bills of exchange, acceptances or obligations of the City and make disbursements for the City and enter into any commercial or business arrangement therewith, without limitation.

SECTION 10.7. Compensation and Indemnification of Fiscal Agent. The City agrees

(A) Compensation. to pay to the Fiscal Agent from time to time reasonable compensation for all services rendered by it hereunder and, except as otherwise expressly provided herein, to reimburse the Fiscal Agent upon its request for all reasonable expenses, disbursements, and advances incurred or made by the Fiscal Agent in accordance with any provision of this Fiscal Agent Agreement, all in accordance with the terms of the written agreement between the City and the Fiscal Agent;

(B) Reimbursement. except as otherwise expressly provided herein, to reimburse the Fiscal Agent upon its request for all reasonable expenses, disbursements, and advances incurred or made by the Fiscal Agent in accordance with any provision of this Fiscal Agent Agreement (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement, or advance as be attributable to the Fiscal Agent's negligence or bad faith; and

(C) Indemnification. to indemnify the Fiscal Agent for, and to hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trusts created hereby, including the costs and expenses (including attorneys' fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

The rights of the Fiscal Agent and the obligations of the City under this Section 10.7 (Compensation and Indemnification of Fiscal Agent) shall survive the discharge of the Bonds and this Fiscal Agent Agreement.

SECTION 10.8. Fiscal Agent Required; Eligibility. There shall at all times be a Fiscal Agent hereunder, which shall be a trust company or bank having the powers of a trust company having a corporate trust office in the State, having a combined capital and surplus of at least fifty million dollars ($50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority, then for the purpose of this Section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Fiscal Agent shall cease to be eligible in accordance with the provisions of this Section, the Fiscal Agent shall resign immediately in the manner and with the effect specified in this Article.

SECTION 10.9. Removal and Resignation; Appointment of Successor.

(A) Effectiveness of Resignation or Removal. No removal or resignation of the Fiscal Agent and appointment of a successor Fiscal Agent pursuant to this Article shall become effective until the acceptance of appointment by the successor Fiscal Agent under Section 10.10 (Acceptance of Appointment by Successor).

(B) Fiscal Agent's Right to Resign. The Fiscal Agent may resign at any time by giving written notice of such resignation to the City and by giving the Bondholders notice of such resignation by mail at the addresses shown on the Bond Register. If an instrument of acceptance by a successor Fiscal Agent shall not have been delivered to the Fiscal Agent within thirty (30) days after the giving of such notice of resignation, the resigning Fiscal Agent may petition any court of competent jurisdiction for the appointment of a successor Fiscal Agent, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Fiscal Agent.

(C) City's Right to Remove Fiscal Agent. The City may remove the Fiscal Agent at any time, unless an Event of Default shall have occurred and then be continuing, by giving 30 days written notice of such removal to the Fiscal Agent.

(D) Removal of Fiscal Agent at Request of Owners. The City shall remove the Fiscal Agent if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing), by giving 30 days written notice of such removal to the Fiscal Agent.

(E) Mandatory Removal of Fiscal Agent. The City shall remove the Fiscal Agent if at any time

(1) the Fiscal Agent shall cease to be eligible in accordance with Section 10.8 (Fiscal Agent Required; Eligibility) and shall fail to resign after written request therefor by the City, or

(2) the Fiscal Agent shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Fiscal Agent or of its property shall be appointed or any public officer shall take control or charge of the Fiscal Agent or of its property or affairs for the purpose of rehabilitation, conservation, or liquidation,

in each case by giving 30 days written notice of such removal to the Fiscal Agent.

(F) Appointment of Successor. If the Fiscal Agent shall resign, be removed, or become incapable of acting, or if a vacancy shall occur in the office of Fiscal Agent for any cause, the City shall promptly appoint a successor Fiscal Agent by an instrument in writing. If no successor Fiscal Agent shall have been so appointed by the City and accepted appointment in the manner hereinafter provided within 30 days after such resignation, removal, or incapability or the occurrence of such vacancy, the Bondholders may, by an instrument or instruments signed by the Holders of a majority in principal amount of the Bonds, appoint a successor Fiscal Agent, or any Bondholder (on behalf of himself and all other Bondholders) may petition any court of competent jurisdiction for the appointment of a successor Fiscal Agent, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Fiscal Agent.

(G) Notice of Removal or Resignation. The City shall give notice of each resignation and each removal of the Fiscal Agent and each appointment of a successor Fiscal Agent by mailing written notice of such event by first-class mail, postage prepaid, to the Owners as their names and addresses appear in the Bond Register. Each notice shall include the name of the successor Fiscal Agent and the address of its principal corporate trust office. If the City fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Fiscal Agent, the successor Fiscal Agent shall cause such notice to be mailed at the expense of the City.

SECTION 10.10. Acceptance of Appointment by Successor. Any successor Fiscal Agent appointed under this Fiscal Agent Agreement shall execute and deliver to the City and to its predecessor Fiscal Agent an instrument accepting such appointment, and thereupon such successor Fiscal Agent, without any further act, deed, or conveyance, shall become vested with all the moneys, rights, and duties of the predecessor Fiscal Agent; but, at the Request of the City or the request of the successor Fiscal Agent, the predecessor Fiscal Agent shall, upon payment of its charges, execute and deliver an instrument conveying and transferring to the successor Fiscal Agent all the right, title, and interest of such predecessor Fiscal Agent in and to any property held by it under this Fiscal Agent Agreement and shall duly assign, transfer, and deliver to the successor Fiscal Agent all property and money held by the predecessor Fiscal Agent hereunder. Upon request of any successor Fiscal Agent, the City shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Fiscal Agent all such moneys, properties, rights, and duties.

SECTION 10.11. Merger or Consolidation. Any company into which the Fiscal Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion, or consolidation to which it shall be a party or any company to which the Fiscal Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under Section 10.8 (Fiscal Agent Required; Eligibility), shall be the successor to such Fiscal Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding. In case any Bonds shall have been authenticated, but not delivered, by the Fiscal Agent then in office, any successor by merger, conversion, or consolidation to such authenticating Fiscal Agent may adopt such authentication and deliver the Bonds so authenticated with the same effect as if such successor Fiscal Agent had itself authenticated such Bonds.

SECTION 10.12. Preservation and Inspection of Documents. All documents received by the Fiscal Agent under the provisions of this Fiscal Agent Agreement shall be retained in its possession and shall be subject at all reasonable times to the inspection of the City and any Owner, and their agents and representatives duly authorized in writing, at reasonable times and under reasonable conditions.

SECTION 10.13. Accounting Records. The Fiscal Agent will at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which complete and accurate entries shall be made of all transactions relating to the Net Special Taxes. Such books of record and account shall be available for inspection by the City at reasonable hours and under reasonable circumstances.

SECTION 10.14. Reports to CDIAC.

(A) Information to City. On or before October 1 in each year, the Fiscal Agent shall provide to the City the amount of funds available in the Bond Reserve Fund and any Capitalized Interest Account.

(B) Notice to CDIAC. Not later than ten days following the occurrence of either of the following events:

(1) an Event of Default under Section 9.1(A) (Principal Default) or 9.1(B) (Interest Default), and

(2) withdrawal of amounts from the Bond Reserve Fund to make up a deficiency in the Interest Fund or the Principal Fund,

the Fiscal Agent shall mail, postage prepaid, a notice of such occurrence to CDIAC and to the City.

(C) No Liability to Owners. The Fiscal Agent shall not be liable to any Owner for failure to deliver the notice required by subsection (B) of this Section or for any error in the information delivered to the City pursuant to subsection (A) of this Section.

ARTICLE 11
MODIFICATION OR AMENDMENT OF THIS FISCAL AGENT AGREEMENT

SECTION 11.1. Supplemental Fiscal Agent Agreements Without Consent of Bondholders. This Fiscal Agent Agreement and the rights and obligations of the City, of the Fiscal Agent, and of the Owners of the Bonds may be modified or amended from time to time and at any time by a Supplemental Fiscal Agent Agreement, which the City may adopt without the consent of any Bondholders but only to the extent permitted by law and only for any one or more of the following purposes:

(A) Additional Security. to add to the covenants and agreements of the City contained in this Fiscal Agent Agreement other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the City;

(B) Curative Provisions. to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Fiscal Agent Agreement, or in regard to matters or questions arising under this Fiscal Agent Agreement, as the City may deem necessary or desirable, and that shall not materially and adversely affect the interests of the Owners of the Bonds;

(C) Trust Indenture Act Qualification. to modify, amend, or supplement this Fiscal Agent Agreement in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions, and provisions as may be permitted by said act or similar federal statute, and that shall not materially and adversely affect the interests of the Owners of the Bonds;

(D) Additional Series. to create any Series of Bonds (other than the Series 2013 Refunding Bonds) and make such other provisions as provided in Article 4 (Issuance and Delivery of Additional Series of Bonds);

(E) Book-Entry System. to provide for the issuance of Bonds in book-entry form, provided that no such provision shall materially and adversely affect the interests of the Owners of the Bonds;

(F) Notice of Redemption. to modify or add to the procedures providing for the notice in the event of redemption of the Bonds in order to comply with regulations promulgated by the United States Securities and Exchange Commission;

(G) Credit Enhancements. to make modifications or adjustments necessary, appropriate, or desirable to accommodate credit enhancements including letters of credit, insurance policies, and surety bonds;

(H) Preservation of Tax Exemption. if the City agrees in a Supplemental Fiscal Agent Agreement to maintain the exclusion of interest on a Series of Bonds from gross income for purposes of federal income taxation, to make such provisions as are necessary or appropriate to ensure such exclusion; and

(I) No Material Effect. for any other purpose that does not materially and adversely affect the interests of the Owners of the Bonds.

SECTION 11.2. Supplemental Fiscal Agent Agreements with Consent of Bondholders or Credit Providers.

(A) Majority Consent. This Fiscal Agent Agreement and the rights and obligations of the City, the Owners of the Bonds, and the Fiscal Agent may be modified or amended from time to time and at any time by a Supplemental Fiscal Agent Agreement, which the City and the Fiscal Agent may enter into with the written consent of the Owners of a majority in aggregate principal amount of the Bonds (or, if such Supplemental Fiscal Agent Agreement is only applicable to a Series of Bonds, such Series of Bonds) then Outstanding shall have been filed with the Fiscal Agent; provided that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any particular maturity remain Outstanding, the consent of the Owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Bonds Outstanding under this Section.

(B) Credit Provider Consent. This Fiscal Agent Agreement and the rights and obligations of the City and of the Owners of the Bonds and of the Fiscal Agent may also be modified or amended at any time by a Supplemental Fiscal Agent Agreement entered into by the City and the Fiscal Agent, which shall become binding when the written consents of each provider of a letter of credit or a policy of bond insurance for the Bonds shall have been filed with the Fiscal Agent, provided that at such time the payment of all the principal of and interest on all Outstanding Bonds shall be insured by a policy or policies of municipal bond insurance or payable under a letter of credit the provider of which shall be a financial institution or association having unsecured debt obligations rated, or insuring or securing other debt obligations rated on the basis of such insurance or letters of credit, in one of the two highest Rating Categories of Moody's and Standard & Poor's.

(C) Limitations on Amendments. No such modification or amendment shall (1) extend the fixed maturity of any Bond, or reduce the amount of principal thereof, or extend the time of payment or reduce the amount of any Mandatory Sinking Account Payment provided for the payment of any Bond, or reduce the rate of interest thereon, or extend the time of payment of interest thereon, or reduce any premium payable upon the redemption thereof, without the consent of the Owner of each Bond so affected, or (2) reduce the aforesaid percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment, or permit the creation of any lien on the Net Special Taxes and other assets pledged under this Fiscal Agent Agreement prior to or on a parity with the lien created by this Fiscal Agent Agreement, or deprive the Owners of the Bonds of the lien created by this Fiscal Agent Agreement on such Net Special Taxes and other assets (in each case, except as expressly provided in this Fiscal Agent Agreement), without the consent of the Owners of all of the Bonds then Outstanding.

(D) Manner of Consent. It shall not be necessary for the consent of the Bondholders to approve the particular form of any Supplemental Fiscal Agent Agreement, but it shall be sufficient if such consent shall approve the substance thereof.

(E) Notice of Amendments. Promptly after the execution and delivery by the Fiscal Agent and the City of any Supplemental Fiscal Agent Agreement pursuant to this Section, the Fiscal Agent shall mail a notice, setting forth in general terms the substance of such Supplemental Fiscal Agent Agreement or attaching a copy thereof, to the Owners of the Bonds at the addresses shown on the Bond Register. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Fiscal Agent Agreement.

SECTION 11.3. Execution of Supplemental Fiscal Agent Agreements. In executing, or accepting the additional duties created by, any Supplemental Fiscal Agent Agreement permitted by this Article or the modification thereby of the duties created by this Fiscal Agent Agreement, the Fiscal Agent shall be entitled to receive, and, subject to Section 10.2 (Certain Duties and Responsibilities), shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such Supplemental Fiscal Agent Agreement is authorized or permitted by this Fiscal

Agent Agreement. The Fiscal Agent may, but shall not be obligated to enter into any such Supplemental Fiscal Agent Agreement that affects the Fiscal Agent's own rights, duties, or immunities under this Fiscal Agent Agreement or otherwise.

SECTION 11.4. Effect of Supplemental Fiscal Agent Agreement. From and after the time any Supplemental Fiscal Agent Agreement becomes effective pursuant to this Article, this Fiscal Agent Agreement shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties, and obligations under this Fiscal Agent Agreement of the City, the Fiscal Agent, and all Owners of Bonds 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 such Supplemental Fiscal Agent Agreement shall be deemed to be part of the terms and conditions of this Fiscal Agent Agreement for any and all purposes.

SECTION 11.5. Endorsement of Bonds; Preparation of New Bonds. Bonds delivered after any Supplemental Fiscal Agent Agreement becomes effective pursuant to this Article may, and if the Fiscal Agent so determines shall, bear a notation by endorsement or otherwise in form approved by the City and the Fiscal Agent as to any modification or amendment provided for in such Supplemental Fiscal Agent Agreement, and, in that case, upon demand of the Owner of any Bond Outstanding at the time of such execution and presentation of his Bond for such purpose at the Corporate Trust Office or at such additional offices as the Fiscal Agent may select and designate for that purpose, a suitable notation shall be made on such Bond. If the Supplemental Fiscal Agent Agreement shall so provide, new Bonds so modified as to conform, in the opinion of the City and the Fiscal Agent, to any modification or amendment contained in such Supplemental Fiscal Agent Agreement, shall be prepared and executed by the City and authenticated by the Fiscal Agent and, upon demand of the Owners of any Bonds then Outstanding and upon surrender for cancellation of such Bonds, shall be exchanged at the Corporate Trust Office, without cost to any Bondholder, for Bonds then Outstanding in equal aggregate principal amounts of the same Series, tenor, and maturity.

SECTION 11.6. Amendment of Particular Bonds. The provisions of this Article shall not prevent any Bondholder from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

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

U.S. BANK NATIONAL ASSOCIATION

By: ________________________________
Authorized Officer

CITY OF WOODLAND

By: ________________________________
Paul Navazio, City Manager

ATTEST:

____
Ana B. Gonzlaez, City Clerk

APPROVED AS TO FORM:

By: ________________________________

EXHIBIT A

FORM OF SERIES 2013 REFUNDING BONDS

REGISTERED
No. R-__ REGISTERED
$__________

CITY OF WOODLAND
COMMUNITY FACILITIES DISTRICT NO. 2004-1
(SPRING LAKE)
SPECIAL TAX BONDS, SERIES 2013 REFUNDING

MATURITY DATE	INTEREST RATE PER ANNUM	DATE	CUSIP:
September 1, 20__	_____%	[closing date]	_________

REGISTERED OWNER: __________________

PRINCIPAL SUM: _________________ DOLLARS

The City of Woodland, a municipal corporation duly organized and existing under and pursuant to the Constitution and laws of the State of California (the "City"), for value received, hereby promises to pay (but only out of the Net Special Taxes hereinafter referred to) to the registered owner named above or registered assigns, on the maturity date specified above, the principal sum specified above together with interest thereon from the date hereof until the principal hereof shall have been paid, at the interest rate per annum specified above, payable on March 1, 2014, and semiannually thereafter on March 1 and September 1 in each year. Interest hereon is payable in lawful money of the United States of America by check mailed on each Interest Payment date or, upon the written request of any Owner of $1,000,000 or more in aggregate principal amount of Bonds who has provided the Fiscal Agent with wire transfer instructions, by wire transfer on each interest payment date to the registered owner as of the close of business on the 15th day of the calendar month immediately preceding such interest payment date. The principal hereof and premium, if any, hereon are payable at the corporate trust office of U.S. Bank National Association, as fiscal agent (together with any successor as fiscal agent under the hereinafter mentioned Fiscal Agent Agreement, the "Fiscal Agent"), in St. Paul, Minnesota, in lawful money of the United States of America.

This bond is one of a duly authorized issue of City of Woodland Community Facilities District No. 2004-1 (Spring Lake) Special Tax Bonds (the "Bonds"), limited in aggregate principal amount to $112,500,000, except for refunding bonds, which issue consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as provided in the Fiscal Agent Agreement (as defined below), all issued and to be issued pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (Sections 53311 et seq. of the Government Code of the State of California, as amended) (the "Law") and pursuant to a fiscal agent agreement dated October 1, 2013, between the Fiscal Agent and the City (said fiscal agent agreement, as amended and supplemented from time to time, the "Fiscal Agent Agreement"). This Bond is also one of a duly authorized series of Bonds additionally designated "Series 2013 Refunding," issued in the aggregate principal amount of $[PAR AMOUNT].

Reference is hereby made to the Fiscal Agent Agreement and to the Law for a description of the terms on which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the Net Special Taxes (as that term is defined in the Fiscal Agent Agreement), and the rights of the registered owners of the Bonds. All the terms of the Fiscal Agent Agreement and the Law are hereby incorporated herein and constitute a contract between the City and the registered owner from time to time of this Bond. The registered owner of this Bond, by its acceptance hereof, consents and agrees to all the provisions of the Fiscal Agent Agreement. Additional Bonds may be issued on a parity with the Bonds of this authorized issue, but only subject to the conditions and limitations contained in the Fiscal Agent Agreement.

The Bonds and the interest thereon (to the extent set forth in the Fiscal Agent Agreement) are payable from, and are secured by a charge and lien on, the proceeds derived by the City from the special taxes imposed pursuant to the Law within the City's Community Facilities District No. 2004-1 (Spring Lake) (as more particularly defined in the Fiscal Agent Agreement, the "Net Special Taxes"). All of the Bonds are equally secured by a pledge of, and charge and lien upon, all of the Net Special Taxes. The Net Special Taxes constitute a trust fund for the security and payment of the interest on and principal of the Bonds; but nevertheless out of Net Special Taxes certain amounts may be applied for other purposes as provided in the Fiscal Agent Agreement.

The Bonds are limited obligations of the City and are payable, both as to principal and interest, and as to any premiums upon the redemption thereof, out of the Net Special Taxes and certain funds held by the Fiscal Agent under the Fiscal Agent Agreement. The general fund of the City is not liable, and the credit or taxing power (other than as described above) of the City is not pledged, for the payment of the Bonds or their interest. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the City or any of its income or receipts, except the Net Special Taxes. No registered owner of this Bond shall ever have the right to compel any exercise of the taxing power (other than as described above) of the City to pay this Bond or the interest hereon.

The Series 2013 Refunding Bonds maturing on or after September 1, 20__, are subject to redemption prior to their respective stated maturities, at the option of the City, from any source of available funds, as a whole or in part (by such maturities as may be specified by the City and at random within a maturity) on any date on or after September 1, 20__, at the stated principal amount of the Series 2013 Refunding Bonds called for redemption, plus accrued interest to the date fixed for redemption, plus or minus the Close-out Amount.

Series 2013 Refunding Term Bonds maturing on September 1, 20__, and September 1, 20__, shall also be subject to redemption prior to their respective stated maturities, in part, at random, from mandatory sinking account payments required by and as specified in the Fiscal Agent Agreement at the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

The Series 2013 Refunding Bonds are subject to redemption by the City prior to their respective stated maturities, as a whole or in part (by such maturities as may be specified by the City and at random within a maturity) on any Interest Payment Date from prepayments of the Special Taxes, at the following redemption prices (expressed as a percentage of the principal amount of Series 2013 Refunding Bonds called for redemption), together with accrued interest thereon to the date fixed for redemption:

Redemption Dates	Redemption Price
Prior to September 1, 20__	103%
September 1, 20__, and March 1, 20__	102
September 1, 20__, and March 1, 20__	101
September 1, 20__, and thereafter	100

This Bond is transferable or exchangeable for other authorized denominations by the registered owner hereof, in person or by its attorney duly authorized in writing, at the corporate trust office of the Fiscal Agent in St. Paul, Minnesota, but only in the manner, subject to the limitations and upon payment of the charges provided in the Fiscal Agent Agreement, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Bond or Bonds without coupons, of authorized denomination or denominations, of the same series, tenor, and maturity for the same aggregate principal amount will be issued to the transferee in exchange herefor.

The City, the Fiscal Agent and any paying agent may deem and treat the registered owner hereof as the absolute owner hereof for all purposes, and the City, the Fiscal Agent and any paying agent shall not be affected by any notice to the contrary.

The rights and obligations of the City and of the registered owners of the Bonds may be modified amended at any time in the manner, to the extent, and upon terms provided in the Fiscal Agent Agreement, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owners of Bonds.

The City hereby certifies and recites that any and all acts, conditions, and things required to exist, to happen, and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, do exist, have happened, and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, and that this Bond, together with all other indebtedness of the City pertaining to the Net Special Taxes, is within every debt and other limit prescribed by the Constitution and the statutes of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Fiscal Agent Agreement or the Law.

This Bond shall not be entitled to any benefit under the Fiscal Agent Agreement, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been signed by the Fiscal Agent.

IN WITNESS WHEREOF, the City of Woodland has caused this Bond to be executed in its name and on its behalf by its Mayor and countersigned by its City Clerk, all as of the date stated above.

CITY OF WOODLAND

By: ______________________________
Marlin H. Davies, Mayor

Countersigned:

____
Ana B. Gonzalez, City Clerk

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Fiscal Agent Agreement, which has been authenticated on the date set forth below.

Dated:

U.S. BANK NATIONAL ASSOCIATION,
as Fiscal Agent

By: ______________________________

[FORM OF ASSIGNMENT]

For value received the undersigned do(es) hereby sell, assign and transfer unto _____________________ the within Bond and do(es) hereby irrevocably constitute and appoint ___________________ attorney, to transfer the same on the bond register of the Fiscal Agent, with full power of substitution in the premises.

____
NOTE: The signature(s) to this Assignment must correspond with the name(s) on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: __________________________

Signature(s) Guaranteed by:

____
Note: Signature must be guaranteed by an eligible guarantor institution (banks, securities brokers, savings associations, credit unions, or other institutions with membership in an approved signature guarantee medallion program) pursuant to Securities and Exchange Commission Rule 17A(d)15.

Social Security Number, Tax Identification Number, or other identifying number of Assignee:

____

<u>**CERTIFICATE**</u>

I hereby certify that the following is a true and correct copy of the legal opinion relating to the Bonds described therein that was manually signed by Kronick, Moskovitz, Tiedemann & Girard and was dated the date of delivery and payment of said Bonds.

____
Ana B. Gonzales, City Clerk

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation
400 Capitol Mall, 27th Floor
Sacramento, CA 95814

City Council
City of Woodland
300 First Street
Woodland, CA 95695

Re: *City of Woodland*
Community Facilities District No. 2004-1 (Spring Lake)
Special Tax Bonds, Series 2013 Refunding

Dear Council Members:

We have acted as bond counsel in connection with the issuance by the City of Woodland (the "City") of $[PAR AMOUNT] aggregate principal amount of City of Woodland Community Facilities District No. 2004-1 (Spring Lake) Special Tax Bonds, Series 2013 Refunding (the "Bonds"), under and pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 of the State of California (being §§53311 <u>et seq</u>., of the Government Code of the State of California), and pursuant to the provisions of the Fiscal Agent Agreement dated October 1, 2013 (the "Fiscal Agent Agreement"), between U.S. Bank National Association, as fiscal agent, and the City. In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied upon the representations of the City contained in the Fiscal Agent Agreement and in the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The City has duly authorized, executed and delivered the Bonds. The Bonds are valid and binding limited obligations of the City, payable solely from the proceeds of the Net Special Taxes (as that term is defined in the Fiscal Agent Agreement) and certain funds held under the Fiscal Agent Agreement to the extent specified therein.

2. The Fiscal Agent Agreement constitutes a valid and binding obligation of the City. The Fiscal Agent Agreement creates a valid lien on the Net Special Taxes and other funds pledged by the Fiscal Agent Agreement for the security of the Bonds.

3. Interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

4. Interest on the Bonds is exempt from present State of California personal income taxes.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Fiscal Agent Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

We express no opinion regarding the accuracy, adequacy or completeness of the Official Statement or other offering materials relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation

EXHIBIT B

DOCUMENTS TO BE DELIVERED AT THE CLOSING OF THE SALE OF THE SERIES 2013 REFUNDING BONDS

(a) Final Opinion of Bond Counsel. The final opinion of Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation (Bond Counsel), dated the Closing Date, substantially in the form set forth in the Form of Series 2013 Refunding Bond attached as part of Exhibit A hereto, together with a letter dated the date of delivery of the Series 2013 Refunding Bonds to the Original Purchaser (the "Closing Date") and addressed to the Fiscal Agent and the Original Purchaser authorizing each of them to rely on said opinion.

(b) Defeasance Opinion of Bond Counsel. A defeasance opinion of Bond Counsel, dated the Closing Date, with respect to the Prior Bonds.

(c) Opinion of City Attorney. An opinion of the City Attorney of the City, dated the Closing Date and addressed to the Fiscal Agent and the Original Purchaser to the effect that:

i the City is a municipal corporation duly organized and existing under the Constitution and laws of the State of California;

ii the City has full legal power and lawful authority to enter into this Fiscal Agent Agreement and the Escrow Agreement (collectively the "City Documents") and carry out the transactions contemplated under the City Documents;

iii the resolution approving the issuance of the Bonds has been duly adopted by the City Council at a meeting that was called and held pursuant to law with all public notice required by law and at which a quorum was present and acting throughout, and such resolution is in full force and effect and has not been modified, amended, or rescinded;

iv the City Documents have been duly authorized, executed, and delivered by the City and constitute the legal, valid, and binding obligations of the City enforceable against the City in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights, to the application of equitable principles where equitable remedies are sought, and to the exercise of judicial discretion in appropriate cases;

v to the best knowledge of such counsel, there is no action, suit, proceeding, or investigation before or by any court, public board, or body pending (notice of which has been served on the City) or overtly threatened in writing wherein an unfavorable decision, ruling, or finding would: (a) affect the creation, organization, or existence of the CFD or the powers of the City with respect thereto or the titles of the members of the City Council or the officers of the City to their respective offices; or (b) affect the validity of the City Documents or restrain or enjoin the repayment of the Bonds or in any way contest or affect the validity of the City Documents or contest the authority of the City to enter into or perform its obligations under any of the City Documents, or that, in any manner, questions the right of the City to use the Special Taxes levied within the CFD for repayment of the Bonds or affects in any manner the right or ability of the City to collect or pledge the Special Taxes levied within the CFD; and

vi to the best knowledge of such counsel, the execution and delivery of the City Documents and compliance with the provisions thereof under the circumstances contemplated thereby, (a) do not constitute on the part of the City a material breach of or default under any agreement or other instrument to which the City is a party or by which it is bound, and (b) do not and will not in any material respect constitute on the part of the City a violation, breach of, or default under any court order or consent decree to which the City is subject.

(d) Opinion of Counsel to the Escrow Agent and Fiscal Agent. An opinion of counsel to U.S. Bank National Association (the "**Bank**"), dated the Closing Date, and addressed to the City and the Original Purchaser to the effect that:

i the Bank is a national banking association, duly organized and validly existing under the laws of the United States, having full power to enter into and perform its obligations under the Fiscal Agent Agreement and the Escrow Agreement (collectively, the "Bank Agreements");

ii assuming due execution by the other parties thereto, the Bank Agreements have been duly authorized, executed, and delivered by the Bank and constitute the legal, valid, and binding obligations of the Bank enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought;

iii no consent, approval, authorization, or other action by any governmental or regulatory authority having jurisdiction over the Bank that has not been obtained is or will be required for the execution and delivery of the Bank Agreements or the consummation of the transactions contemplated by the Bank Agreements.

(e) City Certificate. A certificate of the City, dated the Closing Date and signed by an authorized official of City, to the effect that:

i by all necessary official action of the City Council, the City has duly authorized and approved the execution and delivery by the City of, and the performance by the City of the obligations on its part contained in, the City Documents and, as of the Closing Date, such authorizations and approvals are in full force and effect and have not been amended, modified, or rescinded;

ii the Special Taxes have been duly and lawfully levied under and pursuant to the provisions of the Act; and the Special Taxes constitute a valid and legally binding lien on land in the CFD. The Special Taxes are not subject to repeal or reduction by action of the City Council if the effect thereof would interfere with the timely payment of the principal of and interest on the Bonds;

iii as of the Closing Date, the City is not in breach of or in default under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement, or other instrument to which the City is a party or is otherwise subject, and no event has occurred and is continuing that, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, which breach, default, or event could have an adverse effect on the City's ability to perform its obligations under the City Documents; and, as of the Closing Date, the authorization, execution, and delivery of the City Documents and compliance by the City with the provisions of each of such agreements or instruments does not and will not constitute a breach of or default under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement, or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the City Documents;

iv as of the Closing Date, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, government agency, public board, or body (collectively and individually, an "Action") pending (notice of which has been served on the City) or, to the best knowledge of the City, threatened, in which any such Action (i) in any way questions the corporate existence of the City or the titles of the officers of the City to their respective offices; (ii) affects, contests, or seeks to prohibit, restrain, or enjoin the issuance or delivery of the Bonds or the payment or collection of installments of the Special Taxes or any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City contemplated thereby; or (iii) contests the exemption of interest on the Bonds from State income taxation or contests the powers of City that may result in any material adverse change relating to the financial condition of the CFD; and, as of the Closing Date, there is no basis for any Action of the nature described in clauses (i) through (iii) of this paragraph; and

v all authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters that are required by the Closing Date for the due authorization of, or which would constitute a condition precedent to, or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or made and are in full force and effect.

(f) Bank's Certificate. A certificate of the Bank, dated the Closing Date, to the following effect:

i the Bank is authorized to carry out corporate trust powers, and has full power and to perform its duties under the Bank Agreements;

ii the Bank is duly authorized to accept the obligations created by the Bank Agreements and to authenticate the Bonds pursuant to the terms of the Fiscal Agent Agreement; and

iii to the best knowledge of the Bank, after due inquiry, there is no action, suit, proceeding, or investigation, at law or in equity, before or by any court or governmental agency, public board or body pending against the Bank or threatened against the Bank which in the reasonable judgment of the Bank would affect the existence of the Bank or in any way contesting or affecting the validity or enforceability of the Bank Agreements or contesting the powers of the Bank or its authority to enter into and perform its obligations under the Bank Agreements.

(g) Verification Letter. A letter addressed to the City, dated on or before the Closing Date, from Grant Thornton LLP (the "Verification Agent"), verifying the accuracy of the mathematical computations concerning the adequacy of the moneys to be deposited in the Escrow Fund under the Escrow Agreement to pay when due pursuant to the stated maturity or call for redemption the principal of and interest and premium with respect to the Prior Bonds.

(h) Resolutions. Copies of the resolution adopted by the City Council authorizing the issuance of the Bonds, certified by the City Clerk.

(i) CDIAC Statements. Copies of the statements with respect to the sale of the Bonds required to be delivered to the California Debt and Investment Advisory Committee pursuant to Sections 53583 and 8855 of the California Government Code.

(j) Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

(k) Tax Certificate. The Tax Certificate of the City, in form satisfactory to Bond Counsel, signed by an appropriate officer of the City.

(l) Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as Bond Counsel or the Original Purchaser may reasonably deem necessary.

EXHIBIT C

**FORM OF LETTER OF REPRESENTATIONS
(SERIES 2013 REFUNDING BONDS)**

City of Woodland
300 First Street
Woodland, CA 95695

Re: City of Woodland
Community Facilities District No. 2004-1 (Spring Lake)
Special Tax Refunding Bonds, Series 2013

The undersigned, ____________ [name of purchaser] (the "Purchaser"), hereby certifies, represents, and warrants to the City of Woodland (the "City") as follows:

(1) The Purchaser has purchased on the date hereof the above-referenced bonds (the "Bonds"), the outstanding principal amount of which is $_______________, issued pursuant to the Fiscal Agent Agreement dated October 1, 2013 (the "Fiscal Agent Agreement"), between the City and U.S. Bank National Association, as fiscal agent.

(2) The Bonds are being acquired by the Purchaser for its own account and for investment purposes only and not with a view to any resale or distribution thereof, in whole or in part, to others; provided, however, that the Purchaser shall not be precluded from transferring or assigning its interest in the Bonds in accordance with the terms and conditions set forth in the Fiscal Agent Agreement. The Purchaser is not participating, directly or indirectly, in a distribution of the Bonds and will not take, or cause to be taken, any action that would cause the Purchaser to be deemed an "underwriter" of such Bonds as defined in Section 2(11) of the Securities Act of 1933, as amended (the "Securities Act"). The Purchaser understands that the City has no obligation to register the Bonds for resale under the Securities Act. The Purchaser further understands that the Bonds are being sold in a transaction that is exempt from the registration requirements of the Securities Act. The Purchaser acknowledges that the City will not be entering into a continuing disclosure agreement pursuant to Section 15c2-12 of the Securities Exchange Act of 1934, as amended.

(3) The Purchaser has received and carefully read all information and other items of disclosure relating to Community Facilities District No. 2004-1 (Spring Lake) (the "CFD") and the Bonds that the Purchaser has deemed material (the "Disclosure Items") and, in connection therewith, has had access to all other materials, books, records, documents, and information relating to the CFD and the Bonds, and has been able to verify the accuracy of, and supplement, the information contained therein.

(4) The Purchaser has had an opportunity to ask questions of, and receive satisfactory answers from, duly designated representatives of the City and Piper Jaffray & Co. (the "Placement Agent") concerning the terms and conditions pursuant to which the offer to purchase the Bonds is being made, and any request for such information has been fully complied with to

the extent the City or the Placement Agent possesses such information or can acquire it without unreasonable effort or expense.

(5) The Purchaser is an investor who directly, or together with its purchaser representative, has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Bonds based upon (i) the information (including the information set forth in the Disclosure Items) furnished to it by the City or the Placement Agent; (ii) its or such representative's personal knowledge of the business and affairs of the CFD or the Placement Agent; (iii) the records, files, and plans of the CFD, to all of which it or such representative has had full access; (iv) such additional information as it or such representative may have requested and have received from the City or the Placement Agent; and (v) the independent inquiries and investigations undertaken by it or such representative.

(6) The Purchaser represents that it can bear the economic risk of loss of its entire investment; it has adequate means for providing for its current needs and personal contingencies; and it has no need for liquidity with respect to its investment in the Bonds.

(7) The Purchaser's overall commitment to investments that are not readily marketable is not disproportionate to its net worth, and its purchase of the Bonds will not cause such overall commitment to become excessive.

(8) The Purchaser certifies that it is an "accredited investor," within the meaning of Regulation D promulgated under the Securities Act and applicable state securities laws.

(9) No person has given any information or made any representation not contained in any Disclosure Items referred to above or otherwise provided to the Purchaser in writing by a person employed or authorized in writing by the City or the Placement Agent. The Purchaser understands and agrees that any information or representation not contained therein must not, and will not, be relied upon and that nothing contained therein should be construed as legal or tax advice to the Purchaser.

(10) No person has made any direct or indirect representation or warranty of any kind to the Purchaser with respect to the economic return that may accrue to the Purchaser. The Purchaser has consulted with its own tax counsel and other advisors with respect to an investment in the Bonds.

(11) The signatory of this letter is a duly authorized officer of the Purchaser with the authority to sign this letter on behalf of the Purchaser, and this letter has been duly authorized, executed, and delivered by the Purchaser.

DATED: __________ [PURCHASER]

By: ____________________________
Name: ____________________________
Title: ____________________________

PLACEMENT AGENT AGREEMENT

October ___, 2013

Kimberly McKinney
Finance Officer
City of Woodland
300 First Street
Woodland, CA 95695

Re: City of Woodland Community Facilities District No. 2004-1 (Spring Lake) Special Tax Refunding Bonds, Series 2013

Ladies and Gentlemen:

The undersigned, Piper Jaffray & Co. (the "Placement Agent"), offers to enter into the following agreement (this "Agreement") with the City of Woodland, California (the "City"), in connection with the private sale of the City's Community Facilities District No. 2004-1 (Spring Lake) Special Tax Refunding Bonds, Series 2013 (the "Bonds"). Upon acceptance by the City, this Agreement will be binding upon the City and the Placement Agent.

The City acknowledges and agrees that (i) the placement of the Bonds (as defined below) pursuant to this Agreement is an arm's-length commercial transaction between the City and the Placement Agent, (ii) in connection therewith and with the discussion, undertakings and procedures leading up to the consummation of such transaction, the Placement Agent is and has been acting solely as a principal and is not acting as a Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), (iii) the Placement Agent has not assumed (individually or collectively) an advisory or fiduciary responsibility in favor of the City with respect to the offering of the Bonds or the process leading thereto (whether or not the Placement Agent has advised or is currently advising the City on other matters) or any other obligation to the City except the obligations expressly set forth in this Agreement, and (iv) the City has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Placement Agent and City hereby agree as follows:

1. Appointment of Placement Agent; Placement of the Bonds.

(a) The City hereby appoints the Placement Agent to act, and the Placement Agent hereby agrees to act, as the exclusive placement agent for the City in connection with the private sale of the Bonds, and the Placement Agent hereby accepts such appointment. As compensation for its services hereunder, the Placement Agent shall charge a fee of $_____/$1,000 of the par amount of the Bonds. At the closing of any such sale, the City shall pay or cause to be paid such fee to the Placement Agent from the Costs of Issuance Fund for the

Bonds by wire transfer or immediately available funds. The above fee does not include any services the Placement Agent may render in the future to the City with respect to any offering or placement of municipal securities other than the Bonds.

(b) The City shall provide the purchaser of the Bonds with the opportunity to ask questions and receive answers. Copies of the reports and other documents that have been furnished to the Placement Agent by the City in connection with the proposed offer and sale of the Bonds are listed in Exhibit A hereto (its being understood that, prior to the consummation of any sale of the Bonds, Exhibit A may be supplemented from time to time as mutually agreed by the parties hereto). The City hereby authorizes the Placement Agent to use such reports and documents in connection with offers and sales of the Bonds.

(c) The City understands that the Placement Agent will be acting as the agent of the City in the offering and sale of the Bonds and not as an underwriter of the Bonds; the City agrees that, in connection therewith, the Placement Agent will use its "best efforts" to place the Bonds. This Agreement shall not give rise to any expressed or implied commitment by the Placement Agent to purchase or place any of the Bonds.

2. Covenants, Representations and Warranties of the City. The City represents, warrants and agrees as follows:

(a) the City is duly organized and validly existing as a general law city under the Constitution and laws of the State and has duly authorized the formation of Community Facilities District No. 2004-1 (Spring Lake) (the “CFD”) pursuant to a resolution duly adopted by the City Council (the "CFD Formation Resolution") and the Mello-Roos Community Facilities Act of 1982. The City Council has duly adopted the CFD Formation Resolution and has caused to be recorded in the real property records of the County of Yolo notices of special tax lien and any required amendments thereof (collectively, the "Notice of Special Tax Lien") (the CFD Formation Resolution and Notice of Special Tax Lien being collectively referred to herein as the "Formation Documents"). The Formation Documents remain in full force and effect as of the date hereof and have not been amended. The CFD is duly organized and validly existing as a community facilities district under the laws of the State;

(b) with the acceptance hereof, an authorized representative of the City will execute and deliver this Agreement and will approve the performance of its obligations contained herein, and any payment for services provided hereunder will be contingent on the adoption of an authorizing resolution of the City Council approving the issuance and sale of the Bonds;

(c) the execution and delivery of this Agreement and compliance with the provisions on the City’s part contained herein do not and will not constitute a breach of or default under any law, administrative regulation, judgment, decree, statute, indenture, mortgage, deed of trust, bond, note, resolution, agreement or other instrument to which the City is a party or by which the City is bound;

(d) any certificate signed by an authorized officer of the City and delivered to the Placement Agent shall be deemed a representation and warranty by the City in connection with this Agreement to the Placement Agent as to the statements made therein for the purposes for which such statements are made;

(e) the City agrees promptly from time to time to take such action as the Placement Agent may reasonably request to qualify, if such qualification is necessary, the Bonds for offering and sale as a private placement under the securities laws of such States as the Placement Agent may reasonably request, and the City further agrees to comply with such laws so as to permit such offers and sales; provided, however, the City shall not be required to register as a dealer or a broker of securities or consent to service of process or register as a foreign corporation in any such state. Any applicable filings will be prepared by the Placement Agent or its counsel, whose fees and disbursements in connection therewith shall be for the account of the Placement Agent.

3. Representations of the Placement Agent. The Placement Agent represents as follows:

(a) the Placement Agent represents that the Placement Agent has, and will have as of the Closing Date, full power and authority to observe and perform the covenants and agreements set forth in this Agreement; and

(b) the Placement Agent represents that the execution and delivery of this Agreement and compliance by the Placement Agent with the provisions hereof do not and will not constitute a breach of or default under any law, administrative regulation, judgment, decree, statute, indenture, mortgage, deed of trust, bond, note, resolution, agreement or other instrument to which the Placement Agent is a party or by which the Placement Agent is bound.

4. Reliance. The City recognizes that, in providing services under this Agreement, the Placement Agent will rely upon and assume the accuracy and completeness of the financial, accounting, tax and other information discussed with or reviewed by the Placement Agent for such purpose, and the Placement Agent does not assume responsibility for the accuracy and completeness thereof. The Placement Agent will have no obligation to conduct any independent evaluation or appraisal of the assets or the liabilities of the City or any other party or to advise or opine on related solvency issues. Nothing in this Agreement is intended to confer upon any other person (including creditors, employees or other constituencies of the City) any rights or remedies hereunder or by reason hereof.

5. Termination. This Agreement may be terminated by the City or the Placement Agent at any time with or without cause, effective upon receipt of written notice to that effect by the other party.

6. Notices. Any notice or other communication to be given to any of the parties to this Agreement may be given by delivering the same in writing as follows: to the City at 300 First Street, Woodland, CA 95695 attention: Kimberly McKinney, Finance Officer; and to the Placement Agent at Piper Jaffray & Co., 8880 Cal Center Drive, Suite 400, Sacramento, CA 95826, attention: Dennis McGuire.

7. Survival of Representations, Warranties and Agreements. All of the representations, warranties and agreements of the City contained in this Agreement shall remain operative and in full force and effect regardless of delivery of any payment for the Bonds.

8. Benefits of Agreement. This Agreement is made solely for the benefit of the City and the Placement Agent, and no other person shall acquire or have any right hereunder or by virtue hereof.

9. Counterparts; Facsimile Execution. 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. This Agreement may be executed by facsimile transmission.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Very truly yours,

PIPER JAFFRAY & CO.

By: ______________________________
Authorized Representative

Accepted and Agreed on October __, 2013.

CITY OF WOODLAND

By: ______________________________
Authorized Representative

EXHIBIT A

[To Come from Piper Jaffray]

CITY OF WOODLAND
COMMUNITY FACILITIES DISTRICT NO. 2004-1
(SPRING LAKE)

RESOLUTION NO. _______

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND AUTHORIZING THE EXECUTION AND DELIVERY OF A FISCAL AGENT AGREEMENT, A PLACEMENT AGENT AGREEMENT, AND AN ESCROW AGREEMENT; AUTHORIZING THE ISSUANCE OF REFUNDING BONDS; AND APPROVING CERTAIN OTHER ACTIONS RELATED THERETO

WHEREAS, by Resolution No. 4559, adopted on June 22, 2004, the City Council of the City of Woodland (the "City") established the City's Community Facilities District No. 2004-1 (Spring Lake) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5, Part 1, Division 2, Title 5 (commencing with Section 53311*)* of the California Government Code) (the "Act"), for the purpose of providing for the financing of the construction and acquisition of certain public capital facilities described in the Resolution of Formation;

WHEREAS, on June 22, 2004, the qualified electors of the CFD authorized the City Council to levy special taxes upon the land within the CFD and to issue bonds in the principal amount of not to exceed $112,500,000 (the "Bonds"), secured by the special taxes, pursuant to the terms of the Act;

WHEREAS, the City previously issued $33,050,000 of its Community Facilities District No. 2004-1 (Spring Lake) Special Tax Bonds, Series 2004 (the "Prior Bonds"), pursuant to such authorization and a Fiscal Agent Agreement dated October 1, 2004 (the "Prior Fiscal Agent Agreement"), between the City and U.S. Bank National Association;

WHEREAS, the City Council has determined to issue refunding bonds pursuant to a new fiscal agent agreement between the City and U.S. Bank National Association (the "Fiscal Agent Agreement"), to be designated its Community Facilities District No. 2004-1 (Spring Lake) Special Tax Refunding Bonds, Series 2013 (the "Refunding Bonds") for the purpose of refunding the Prior Bonds and discharging the City's obligations under the Prior Fiscal Agent Agreement;

WHEREAS, the conditions of California Government Code section 53362.7 will have been satisfied upon the issuance of the Refunding Bonds such that the authorized amount of Bonds will not be reduced by the principal amount of the Refunding Bonds;

WHEREAS, the following documents and proposed agreements relating to the issuance, sale, and delivery of the Refunding Bonds by the City and the application of the proceeds thereof, which are incorporated herein by reference, have been presented to the City Council for its review and approval:

1. The Fiscal Agent Agreement between the City and U.S. Bank National Association, as fiscal agent, pursuant to which the City will issue its Refunding Bonds;

2. The Placement Agent Agreement between the City and Piper Jaffray & Co. (the "Placement Agent"), whereby the Placement Agent will arrange the private sale of the Refunding Bonds to a bank or other financial institution; and

3. The Escrow Agreement between the City and U.S. Bank National Association, as escrow agent;

WHEREAS, it appears to the City Council that the authorization, approval, execution, and delivery of the agreements and documents described above or contemplated thereby or incidental thereto and the issuance, sale, and delivery of the Refunding Bonds in accordance with the Fiscal Agent Agreement are desirable and in the best interests of the City;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Woodland, that:

Section 1. Recitals. The foregoing recitals are true and correct and the City Council so finds and determines.

Section 2 Authorization of Officers to Execute and Deliver Documents. The City Council hereby authorizes the Mayor, the City Manager, the Finance Officer, and their designees (the "Designated Officers"), and each of them individually, for and in the name of the and on behalf of the City, to approve, execute, and deliver the following agreements and documents:

(a) the Fiscal Agent Agreement,

(b) the Placement Agent Agreement, and

(c) the Escrow Agreement,

in substantially the forms presented to the City Council at this meeting, which agreements are hereby approved, with such changes, insertions, revisions, corrections, or amendments as shall be approved by the officer or officers executing the agreement for the City Council. The execution of the foregoing by a Designated Officer or Officers shall constitute conclusive evidence of such officer's or officers' and the City Council's approval of any such changes, insertions, revisions, corrections, or amendments to the respective forms of agreements presented to the City Council at this meeting. The date, respective principal amounts of each maturity, the interest rates, interest payment dates, denominations, forms, registration privileges, place or places of payment, terms of redemption, and other terms of the Refunding Bonds, shall be as provided in the Fiscal Agent Agreement as finally executed.

Section 3. Authorization to Issue Bonds. The City Council hereby authorizes the issuance of the Refunding Bonds in accordance with the terms of the Fiscal Agent Agreement as finally executed.

Section 4. Authorization of Sale. The City Council hereby authorizes the sale of not to exceed $32,000,000 principal amount of Refunding Bonds to a bank or other financial institution; provided that the refunding produce on an aggregate basis net present value savings of at least 3.00% (measured against the Prior Bonds), as determined by the Finance Officer. The Designated Officers are hereby authorized and directed to negotiate with the purchaser the final terms of the sale and its timing.

Section 5. Retention and Compensation of Finance Professionals. Del Rio Advisors, LLC, is hereby appointed as financial advisor to the City for the issuance and sale of the Refunding Bonds. Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, is hereby appointed bond counsel to the City for the issuance and sale of the Refunding Bonds. The City Manager and the Finance Officer are each hereby authorized and directed to execute and deliver an agreement for services with each firm in the form submitted to this meeting.

The City Manager and the Finance Officer are each hereby authorized and directed to compensate Lofton & Jennings from the proceeds of the Refunding Bonds for their work on a preliminary official statement drafted on behalf of the City in anticipation of a public offering of the Refunding Bonds.

Section 6. General Authorization. The City Council hereby authorizes and directs the Designated Officers, and each of them individually, for and in the name of and on behalf of the City Council, to do any and all things and to execute and deliver any and all documents that they may deem necessary or advisable in order to complete the sale, issuance, and delivery of the Refunding Bonds and otherwise to carry out, give effect to, and comply with the terms and intent of this resolution. All actions heretofore taken by such officers and agents that are in conformity with the purposes and intent of this resolution are hereby ratified, confirmed and approved in all respects.

Section 7. Effective Date. This resolution shall take effect immediately upon its passage.

APPROVED, PASSED AND ADOPTED on October 1, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

____

City Clerk of the City of Woodland

DRAFT

ESCROW AGREEMENT

between the

CITY OF WOODLAND,

and

U.S. BANK NATIONAL ASSOCIATION
as Escrow Agent

Dated October 1, 2013

relating to the refunding of the

City of Woodland
Community Facilities District No. 2004-1 (Spring Lake)
Special Tax Bonds, Series 2004

ESCROW AGREEMENT

This ESCROW AGREEMENT dated October 1, 2013 (the "Escrow Agreement"), between the CITY OF WOODLAND, a municipal corporation duly organized and validly existing under and by virtue of the laws of the State of California (the "City"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States of America (the "Bank") and being qualified to accept and administer the escrow hereby created as escrow agent (the "Escrow Agent"),

WITNESSETH:

WHEREAS, the City previously issued $33,050,000 principal amount of its Community Facilities District No. 2004-1 (Spring Lake) Special Tax Bonds, Series 2004 (the "Prior Bonds"), pursuant to the a Fiscal Agent Agreement dated October 1, 2004 (the "Prior Fiscal Agent Agreement"), between the City and U.S. Bank National Association, as fiscal agent, of which $_____________ principal amount remains outstanding;

WHEREAS, the City has exercised its option to redeem the Prior Bonds;

WHEREAS, in order to implement the foregoing, the City duly issued $[PAR AMOUNT] principal amount of its Community Facilities District No. 2004-1 (Spring Lake) Special Tax Refunding Bonds, Series 2013 (the "Refunding Bonds") pursuant to the Fiscal Agent Agreement dated October 1, 2013 (the "Fiscal Agent Agreement"), between the City and U.S. Bank National Association, as fiscal agent;

WHEREAS, the City has taken action to cause to be made available for purchase by the Escrow Agent, from amounts on deposit in the Escrow Fund (as defined herein), certain direct noncallable United States Treasury obligations (the "Escrow Securities"), listed on Schedule I attached hereto and made a part hereof, in an aggregate principal amount that, together with the money deposited in the Escrow Fund at the same time as such deposit and the income to accrue on such securities, will be sufficient to provide for the payment of principal of and interest on the Prior Bonds to and including September 1, 2014, and to pay the redemption price of the Prior Bonds on that date;

WHEREAS, the provisions of the Prior Bonds and the Prior Fiscal Agent Agreement are incorporated herein by reference as if set forth herein in full;

NOW, THEREFORE, the City and the Escrow Agent hereby agree as follows:

Section 1. **Escrow Fund**. (a) Establishment and Funding of Escrow Fund. The Escrow Agent agrees to establish and maintain the Escrow Fund (the "Escrow Fund") until all the Prior Bonds have been paid or redeemed as provided herein. The Escrow Agent shall, except as provided in Section 1(c) hereof, hold the Escrow Securities and the money (whether constituting the initial deposit in the Escrow Fund or constituting receipts on the Escrow Securities) in the Escrow Fund at all times as a separate trust account wholly segregated from all other securities, investments or money held by it. All securities and money in the Escrow Fund are hereby irrevocably pledged, subject to the provisions of Section 1(c) hereof, to secure the payment and redemption of the Prior Bonds as provided herein. The Escrow Agent shall, on the date of execution and delivery of this Escrow Agreement, accept from [PURCHASER] on behalf of the City $_______________ and shall deposit such amount in the Escrow Fund. The City hereby directs U.S. Bank National Association, as fiscal agent under the Prior Fiscal Agent Agreement, on the date of execution and delivery of this Escrow Agreement, to transfer to the Escrow Agent for deposit into the Escrow Fund $___________ from the Bond Reserve Fund maintained under the Prior Fiscal Agent Agreement.

(b) Investment of Money in the Escrow Fund. The City hereby directs the Escrow Agent to purchase the Escrow Securities at a price of $_______________ with amounts in the Escrow Fund and retain the balance of such amounts in cash in the Escrow Fund. The Escrow Agent shall not be liable or responsible for any loss resulting from any investment made pursuant to this section and in full compliance with the provisions hereof.

(c) Payment from the Escrow Fund. The City hereby irrevocably instructs the Escrow Agent, and the Escrow Agent hereby agrees, to use the interest on and principal of all Escrow Securities held in the Escrow Fund, together with any other money, to pay principal of and interest on the Prior Bonds to and including September 1, 2014, and to pay the redemption price of the Prior Bonds on that date, as set forth in Schedule II attached hereto. Following such payment, the Escrow Agent shall transfer any remaining amounts in the Escrow Fund to the City.

(d) Deficiencies in the Escrow Fund. If at any time it shall appear to the Escrow Agent that the money in the Escrow Fund will not be sufficient to make the payments required by Section 1(c) hereof, the Escrow Agent shall notify the City in writing as soon as reasonably practicable of such fact, stating the amount of such deficiency and the reason therefor (if known to it), and the City shall use its best efforts to obtain and deposit with the Escrow Agent for deposit in the Escrow Fund such additional money as may be required to provide for the making of all such payments, provided that such additional money may be deposited solely from lawfully available funds of the City or from a special appropriation made by the City for such purpose, which appropriation shall at all times be subject to the sole discretion of the City. The City shall incur no liability, however, if such additional moneys are unavailable or are not sufficient for such purpose. The Escrow Agent shall in no event or manner be responsible for the failure of the City to make any such deposit.

Section 2. Notices of Defeasance and Redemption. The City hereby irrevocably instructs the Escrow Agent, in accordance with the terms and conditions of the Prior Fiscal Agent Agreement, to provide notices of defeasance and notices of redemption for the Prior Bonds, such notices to be provided in the time and manner specified in the Prior Fiscal Agent Agreement and substantially in the forms shown in Exhibit A and Exhibit B, respectively.

Section 3. Termination. Upon the completion of the payments required from the Escrow Fund and the transfer of any moneys remaining in the Escrow Fund to the City, this Escrow Agreement shall be terminated and of no further force or effect.

Section 4. Compensation and Indemnification of the Escrow Agent. (a) Payment for Services. The City shall pay the Escrow Agent a fee for its services hereunder and shall reimburse the Escrow Agent for its out-of-pocket expenses incurred by the Escrow Agent in connection with these services, all as more particularly agreed upon by the City and the Escrow

Agent; provided that these fees and expenses shall in no event be deducted from the Escrow Fund except as provided in Section 1 and Section 3 hereof. Under no circumstances shall the Escrow Agent assert a lien on the Escrow Fund for any of its fees or expenses.

(b) Indemnification. The City agrees to indemnify the Escrow Agent, its directors, agents, and its officers or employees for, and hold the Escrow Agent, its directors, agents, and its officers or employees harmless from, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind (including, without limitation, reasonable fees and disbursements of counsel or accountants for the Escrow Agent) that may be imposed on, incurred by, or asserted against the Escrow Agent or such other party at any time by reason of its performance of Escrow Agent's services, in any transaction arising out of the Escrow Agreement or any of the transactions contemplated herein, unless due to the negligence or willful misconduct of the particular indemnified party.

(c) Survival of Obligations. The obligations of the City hereunder to the Escrow Agent shall survive the termination or discharge of this Escrow Agreement or the resignation or removal of the Escrow Agent.

Section 5. Functions of the Escrow Agent; Immunities.

(a) Application of Funds. Moneys held by the Escrow Agent hereunder are to be held and applied for the refunding of the Prior Bonds in accordance with the Prior Fiscal Agent Agreement and this Escrow Agreement.

(b) No Implied Duties. The Escrow Agent undertakes to perform only such duties as are expressly and specifically set forth in the Escrow Agreement and no implied duties or obligations shall be read into the Escrow Agreement against the Escrow Agent.

(c) Reliance on Documents. The Escrow Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, and shall be protected and indemnified as stated in the Escrow Agreement, in acting, or refraining from acting, upon any written notice, instruction, request, certificate, document, report or opinion furnished to the Escrow Agent and reasonably believed by the Escrow Agent to have been signed or presented by the proper party, and it need not investigate any fact or matter stated in such notice, instruction, request, certificate, document, report or opinion.

(d) Escrow Agent's Immunities. The Escrow Agent shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. In no event shall the Escrow Agent be liable for any special, indirect or consequential damages, even if parties know of the possibility of such damages. The Escrow Agent shall have no duty or responsibility under the Escrow Agreement in the case of any default in the performance of covenants or agreements contained in the Prior Fiscal Agent Agreement, or in the case of the receipt of any written demand with respect to such default. The Escrow Agent is not required to resolve conflicting demands to money or property in its possession under the Escrow Agreement.

(e) Reliance on Advice of Counsel. The Escrow Agent may consult with counsel of its own choice (which may be counsel to the City) and the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action in accordance with such opinion of counsel.

(f) Not Responsible for City's Representations. The Escrow Agent shall not be responsible for any of the recitals or representations by the City contained herein.

(g) Other Transactions. The Escrow Agent engage or be interested in any financial or other transaction with the City.

(h) Not Responsible for Sufficiency. The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the moneys to make the payments of principal and interest with respect to the Prior Bonds in accordance with the terms and conditions herein.

(i) Not Responsible for Acts or Omissions of the City. The Escrow Agent shall not be liable for any action or omission of the City under this Escrow Agreement or the Prior Fiscal Agent Agreement.

(j) Reliance On City Certification. Whenever in the administration of the trust of the Escrow Agreement, the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be deemed to be conclusively proved and established by a certificate of the City, and such certificate shall, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be full warrant to the Escrow Agent for any action taken or suffered by it under the provisions of the Escrow Agreement upon the faith thereof.

(k) Accounting. The Escrow Agent will provide the City with a final accounting of the funds maintained hereunder upon the redemption of the Prior Bonds.

(l) Bank's Funds Not at Risk. None of the provisions of this Escrow Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder.

(m) Use of Agents. The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

(n) Force Majeure. The Escrow Agent shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Escrow Agent and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

(o) Communication of Instructions. The Escrow Agent agrees to accept and act upon instructions or directions pursuant to this Escrow Agreement sent by unsecured e-mail, facsimile transmission, or other similar unsecured electronic methods, provided that, the Escrow Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the City elects to give the Escrow Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 6. Merger or Consolidation of the Escrow Agent. Any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business shall be the successor to the Escrow Agent and vested with all of the title to the Escrow Fund and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 7. Amendment of the Escrow Agreement. The Escrow Agreement may not be revoked or amended by the parties hereto unless there shall first have been filed with the City and the Escrow Agent (i) an unqualified opinion of bond counsel that such amendment will not adversely affect the excludability from gross income for federal income tax purposes of interest evidenced by the refinancing or the Prior Bonds, and (ii) unless such amendment is not materially adverse to the interests of the registered owners of the Prior Bonds, as evidenced by an opinion of counsel, the written consent of the registered owners of all Prior Bonds then outstanding.

Section 8. Governing Law. The Escrow Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 9. Notices. All notices and communications hereunder shall be in writing and shall be deemed to be duly given if received or sent by first class mail, as follows:

If to the City:
City of Woodland
City Hall
300 First Street
Woodland, California 95695
Attn: Finance Director

If to the Escrow Agent:
U.S. Bank National Association
Mail Station SF-CA-SFCT
One California Street, Suite 1000
San Francisco, CA 94111
Attention: Corporate Trust Services

Section 10. **Severability**. If any section, paragraph, sentence, clause or provision of the Escrow Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, sentence, clause or provision shall not affect any of the remaining provisions of the Escrow Agreement.

Section 11. **Definitions**. Unless the context otherwise requires, capitalized terms used herein shall have the meanings specified in the Fiscal Agent Agreement.

Section 12. **Execution**. The Escrow Agreement 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 agreement.

IN WITNESS WHEREOF, the City and the Escrow Agent have caused the Escrow Agreement to be executed each on its behalf as of the day and year first above written.

CITY OF WOODLAND

By: ______________________________
Kimberly McKinney, Finance Officer

U.S. BANK NATIONAL ASSOCIATION,
as Escrow Agent

By: ______________________________
Authorized Officer

SCHEDULE I

ESCROW SECURITIES

United States Treasury ___________________

Name of Security	Principal Amount	Price	Interest Rate	Maturity Date

SCHEDULE II

PAYMENT AND REDEMPTION SCHEDULE

Prior Bonds

Payment Date	Amount
March 1, 2014	
September 1, 2014	

EXHIBIT A

NOTICE OF DEFEASANCE

OF THE

CITY OF WOODLAND
Community Facilities District No. 2004-1 (Spring Lake)
Special Tax Bonds, Series 2004

NOTICE IS HEREBY GIVEN pursuant to the Fiscal Agent Agreement dated October 1, 2004 (the "Prior Fiscal Agent Agreement"), between the City of Woodland (the "City") and U.S. Bank National Association, as fiscal agent, which authorized and provided for the issuance and sale of the above-captioned bonds (the "Prior Bonds"), that the City has deposited in escrow with U.S. Bank National Association, as its escrow agent (the "Escrow Agent"), money and United States Treasury Certificates of Indebtedness and Notes, State and Local Government Series, in the necessary amount (as evidenced in a verification report provided to the Escrow Agent) to pay principal of and interest on the Prior Bonds to and including September 1, 2014, and to redeem all of the Prior Bonds on that date.

The owners of the Prior Bonds shall cease to be entitled to the pledge of assets made under the Prior Fiscal Agent Agreement. All agreements and covenants of the City contained in the Prior Fiscal Agent Agreement with respect to the Prior Bonds shall be released and shall cease, terminate, become void and shall be discharged and satisfied, except for the obligation to pay principal of and interest on the Prior Bonds, but only from moneys on deposit with the Escrow Agent.

DATED: (date of notice generation)

U.S. BANK NATIONAL ASSOCIATION, as escrow agent

By: ___________________________________

Its: ___________________________________

<u>**EXHIBIT B**</u>

NOTICE OF REDEMPTION

of the

CITY OF WOODLAND
Community Facilities District No. 2004-1 (Spring Lake)
Special Tax Bonds, Series 2004

NOTICE IS HEREBY GIVEN pursuant to the Fiscal Agent Agreement dated October 1, 2004 (the "Prior Fiscal Agent Agreement"), between the City of Woodland (the "City") and U.S. Bank National Association, as fiscal agent, which authorized and provided for the issuance and sale of the above-captioned bonds (the "Prior Bonds"), that:

The City has called for redemption, on September 1, 2014 (the "Redemption Date"), all of the outstanding Prior Bonds that mature on and after September 1, 2014, which are currently outstanding in an aggregate principal amount of $28,135,000, at a redemption price equal to 102% of the principal amount of the Prior Bonds, plus interest accrued thereon to the Redemption Date.

The Prior Bonds are further identified as follows:

Maturity (September 1)	Amount	Rate	CUSIP*
2014	$ 735,000	4.700%	979568 EN8
2015	770,000	4.900	979568 EP3
2016	805,000	5.100	979568 EQ1
2017	850,000	5.250	979568 ER9
2018	750,000	5.400	979568 EZ1
2018	145,000	5.400	979568 ES7
2019	940,000	5.550	979568 ET5
2020	995,000	5.700	979568 EU2
2028	10,395,000	6.000	979568 EX6
2034	11,750,000	6.250	979568 EY4

The redemption of the Prior Bonds on the Redemption Date is subject to the receipt of funds on or before the Redemption Date in an amount sufficient to pay in full the redemption price of all the Prior Bonds.

If sufficient funds are not received by the Escrow Agent by the Redemption Date, this notice shall be null and void and of no force and effect. The Prior Bonds delivered for redemption shall be returned to the respective owners thereof, and the Prior Bonds shall remain outstanding as though this conditional notice of redemption had not been given. Notice of a

* The City and the Escrow Agent shall not be responsible for the use of the CUSIP number(s) selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Prior Bond. They are included solely for the convenience of the owners.

failure to receive funds and cancellation of this redemption shall be given by the U.S. Bank National Association (the "Escrow Agent") by publication in Munifacts wire and by first class mail, postage prepaid, to the registered owners of the Prior Bonds.

If sufficient funds are held by the Escrow Agent on the Redemption Date, (1) the redemption price of the Prior Bonds shall become due, (2) interest on the Prior Bonds shall cease to accrue from and after the Redemption Date; (3) the owners of the Prior Bonds shall cease to be entitled to the pledge of assets made under the Prior Fiscal Agent Agreement, and (4) all agreements, covenants, and other obligations of the City with respect to the Prior Bonds shall be released and shall cease, terminate, become void and shall be completely discharged and satisfied, except for the obligation to pay principal of and interest on the Prior Bonds, but only from moneys on deposit with the Escrow Agent.

Payment of the redemption price of and accrued interest on the Prior Bonds will be made paid only upon presentation and surrender of the Prior Bonds in the following manner (and only if the notice of redemption is not rescinded as to the particular Prior Bonds so presented and surrendered). Registered or certified insured mail is suggested.

If by Mail:	*If by Hand or Overnight Mail:*
(REGISTERED CERTIFICATES)	
U.S. Bank	**U.S. Bank**
Corporate Trust Services	**Corporate Trust Services**
P.O. Box 64111	60 Livingston Avenue
St. Paul, MN 55164-0111	1st Floor – Certificate Drop Window
	St. Paul, MN 55107-2292

Owners presenting their Prior Bonds in person for same day payment **must** surrender their Prior Bond(s) by 1:00 P.M. on the Redemption Date and a check will be available for pick up after 2:00 P.M. Checks not picked up by 4:30 P.M. will be mailed out to the holder via first class mail. If payment of the Redemption Price is to be made to the registered owner of the Prior Bonds, you are not required to endorse the Prior Bonds to collect the redemption price.

REQUIREMENT INFORMATION

For a list of redemption requirements please visit our website at **www.usbank.com/corporatetrust** and click on the "**Bondholder Information"** link.

IMPORTANT NOTICE

Under the Jobs Growth Tax Relief Reconciliation Act of 2003 (the "Act"), 28% will be withheld if tax identification number is not properly certified. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.

DATED: ___________, 2013 U.S. Bank National Association, as trustee/escrow agent

STAFF REPORT

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 1, 2013
SUBJECT: Community Service Awards Nominating Committee

Recommendation for Action
Staff recommends that the City Council appoint a new Nominating Committee at the October 1 regular City Council meeting for the 2014 Community Service Awards.

Staff Contact
Ana Gonzalez, City Clerk - (530) 661-5806, ana.gonzalez@cityofwoodland.org
Fiscal Impact

The resources necessary to support the recognition of community members for outstanding service to Woodland were included in the FY 2014 General Fund budget.

Background

It's time to begin the process leading up to the presentation of the 2014 Community Service Awards in late February. The first step is to form the Nominating Committee.

The Community Service Award, which was first presented in 1983 and annually since 1986, is the City Council's opportunity to recognize individuals with long standing service to the community in terms of:

- Community leadership
- Demonstrated, selfless service to the community
- Dependability in completing assignments/projects
- Interest in varied activities

The Council appoints a Nominating Committee that meets and makes its recommendations to the City Council. The Council acts on the recommendations and the Awards are presented at a dinner event to be held on Thursday, February 20, 2014.

Discussion

In order to proceed with the planning for the Mayor's Community Service Awards event in late February, 2014, a new Nominating Committee must be appointed. Appointment of the Nominating Committee during the regular meeting of October 1 will allow staff to provide the support necessary for the Committee to complete its work in a timely manner. Mayor Davies would be one member of the Nominating Committee and each of the remaining four Council Members would appoint one member. Council appointees to the Nominating Committee can be Council member's previous appointee or a new individual. The Mayor will also ask two past recipients to participate to bring the total membership of the Nominating Committee to seven (7) people.

Council members are requested to personally contact your appointee prior to October 1st to determine if they would be willing to participate.

The City will again invite the public to submit names of people the Nominating Committee should consider for the Community Service Award.

Conclusion

Staff recommends that the City Council appoint a new Nominating Committee at the October 1 regular City Council meeting for the 2014 Community Service Awards.

Prepared by: Ana Gonzalez
City Clerk

Paul Navazio, City Manager