City of Woodland

300 First Street
Woodland, CA 95695

Meeting Agenda

City Council

Tuesday, March 18, 2014 | **6:00 PM** | **Council Chambers**

CITY COUNCIL
CLOSED SESSION AGENDA
(A M E N D E D)
MARCH 18, 2014
5:00 PM

A. CALL TO ORDER

B. CLOSED SESSION

B.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code section 54956.9(d) (Mascon claim regarding Well 28)
Number of potential cases: 1

B.2 CONFERENCE WITH LABOR NEGOTIATORS, Pursuant to Government Code Section 54957.6
Agency Designated Representatives: Paul Navazio, Sheila McShane, Kimberly McKinney and Dania Torres Wong
Employee Organization(s): Mid-Management Association

JOINT REGULAR CITY COUNCIL/WOODLAND FINANCE AUTHORITY
MARCH 18, 2014
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.

14-102 SUBJECT: Long Range Calendar

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

Attachments: Council Long Range Calendar

F. COMMITTEE REPORTS

F.1 14-074 SUBJECT: Minutes of the January 16, 2014 and February 6, 2014 Planning Commission Meetings.

Recommendation for Action: Staff recommends that the City Council receive the minutes of the January 16, 2014 and February 6, 2014 Planning Commission meetings that were approved February 6, 2014 and March 6, 2014 respectively.

Attachments: January 16, 2014 PC Minutes FINAL

February 6, 2014 PC Minutes FINAL

G. PRESENTATIONS

1. 14-101 SUBJECT: Proclamation - Red Cross Month

Recommendation for Action: Staff recommends that the City Council adopt a proclamation declaring March 2014 as Yolo County Red Cross Month.

Attachments: Red Cross Proclamation 2014

2. 14-095 SUBJECT: Proclamation Honoring Outgoing Commission on Aging Commissioner, Lucinda Talkington

Recommendation for Action: Staff recommends that the City Council recognize outgoing Commission on Aging Commissioner, Lucinda Talkington with a proclamation.

Attachments: Lucinda Talkington 2014.pdf

H. CONSENT CALENDAR

3. 14-091 SUBJECT: Treasurer’s Investment Report Quarter Ending December 31, 2013

Recommendation for Action: Staff recommends that City Council accept the quarterly Treasurer's Investment Report for the quarter ended December 31, 2013.

Attachments: Q2 FY 2014 03.18.2014

4. 14-070 SUBJECT: Final Acceptance and Notice of Completion for Water Meter Project, Phase 3, CIP 12-09

Recommendation for Action: Staff recommends City Council accept the Water Meter Project, Phase 3 construction contract as complete and authorize the City Clerk to file a Notice of Completion.

5. 14-103 SUBJECT: Support Position: SB 1262 (Correa) - Medical Marijuana

Recommendation for Action: Staff recommends that the City Council provide the attached letter of support for Senate Bill (SB) 1262 (Correa) related to Medical Marijuana.

Attachments: SB 1262_Chart_Attach

SB 1262_Support Letter 3 18 14

6. 14-092 SUBJECT: Police Department Mobile Video System Upgrade

Recommendation for Action: Staff recommends the City Council approve Resolution No. _____ authorizing the purchase of an upgraded mobile video system for the Police Department through a Purchase Order with Lehr Auto Electric in the amount of $178,901.

Attachments: PD Mobile Video Reso

I. REPORTS OF THE CITY MANAGER

7. 14-088 SUBJECT: Update on the Lower Sacramento Delta North Regional Flood Management Plan and CIP#09-15 Lower Cache Creek Flood Study

Recommendation for Action: Staff recommends that City Council receive this update on the status of the Lower Sacramento/Delta North Regional Flood Management Plan (RFMP) and the City's flood control efforts.

8. 14-094 SUBJECT: Update on the Yolo Rail Realignment Project

Recommendation for Action: Staff recommends that City Council receive this update on the status of the Yolo Rail Realignment efforts.

Attachments: Fig_1_Rail_Relocation_Proj_Rev-P-flat

9. 14-099 SUBJECT: Refunding of Woodland Finance Authority Lease Revenue Bonds (2005 Capital Projects)

Recommendation for Action: Staff recommends that the City Council approve Resolution No. _____ approving the forms of and authorizing the execution and delivery of a Site Lease, a Lease/Purchase Agreement, an Escrow Agreement, and a Placement Agent Agreement, and authorizing certain additional actions.

Attachments: Woodland City Council Resolution Refunding of 2005 Lease Revenue Bonds
Woodland Site Lease Refunding of 2005 Lease Revenue Bonds
Woodland Lease Purchase Agreement - Refunding of 2005 LRBs
City of Woodland Escrow Agreement 2014 Lease Refunding
Woodland Placement Agent Agreement
Private Placement Bank Responses Woodland 2005 Lease
Detailed Debt Service and Savings Analysis

10. 14-093 SUBJECT: Overview of Woodland Crime Trends

Recommendation for Action: Staff recommends that the City Council receive a report on the Overview of Woodland Crime Trends and provide feedback to staff.

J. 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 March 18, 2014 was posted on March 14, 2014 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.

Legislation Details (With Text)

File #:	14-102 **Version:** 1	**Name:**	
Type:	Report of the City Manager	**Status:**	Agenda Ready
File created:	3/14/2014	**In control:**	City Council
On agenda:	3/18/2014	**Final action:**	
Title:	SUBJECT: Long Range Calendar Recommendation for Action: Staff recommends that the City Council receive the Long Range Calendar for informational purposes only.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	Council Long Range Calendar		

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014

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 items.

Prepared by: Ana Gonzalez, City Clerk

Paul Navazio, City Manager

Attachment

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

Tuesday, March 25, 2014	Reports due 3/11	Tentative Study Session

Budget Workshop beginning at 7:00PM

Tuesday, April 1, 2014	Reports due 3/18	Regular Meeting

Minutes
City Council Minutes for March 4th and 18th

Consent
Final Acceptance and NOC for Safe Routes to School, CIP 13-06
2013/2014 ADA Improvement Project, CIP 14-05; Approve Plans and Specifications, Authorize Bid Advertisement, and Authorize City Manager to Execute the Construction Contract – Consent
Ashley Gate Rehabilitation, CIP 14-12; Award Construction Contract – Consent

Public Hearing
1st Reading of Water Conservation Ordinance
IEOZ Zoning Amendment

Regular
Preliminary CDBG Funding Recommendations
Fire Alarm Ordinance (1st Reading)
Approve Plans & Specs and Authorize Bid Adv. For Water Transmission Main East (CIP 11-14) and the Community Center/Sports park Frontage (CIP 11-15)

Tuesday, April 15, 2014	Reports due 4/1	Regular Meeting

Consent
Council Approval of Railroad Agreement for CIP 11-14 – Consent?
Final Acceptance and Notice of Completion for Safe Routes to School, CIP 13-06
2nd Reading of Water Conservation Ordinance
Approval of Railroad Agreement for Project CIP 11-14

PW Quarterly

Regular
Update on Climate Action Plan / GHG Reduction Targets

FUTURE AGENDA ITEMS FOR:

APRIL
Amend Home Occupation Ord. to Comply with CA Homemade Food Act – Public Hearing – April/May
Council Direction on Preferred General Plan Land Use Scenario
Updated Master-Tax Sharing Agreement with Yolo County
MSE Spending Plan
Authorize CM to Enter into Purchase and Sale Agreements for ROW Acquisitions, CIP 11-14 & CIP 12-05, Local Pipelines – Date TBD

MAY
Contract award - Solar Projects (TerraVerde RFP)
Presentation – FY 2014/15 Proposed Budget
WUAC Annual Report

JUNE
Adoption of FY 2014/15 Budget
FUTURE AGENDA ITEMS – DATE TO BE DETERMINED:
County food waste composting proposal
Tow Ordinance
Fire Alarm Ordinance
Salary Ordinance/Salary Schedule

FUTURE STUDY SESSIONS (TBD):
Lower Cache Creek Flood Control Feasibility Study
Update Economic Development Strategic Plan

Updated 3/11/14

Legislation Details (With Text)

File #:	14-074 Version: 1	Name:	
Type:	Report of the City Manager	Status:	Agenda Ready
File created:	2/25/2014	In control:	City Council
On agenda:	3/18/2014	Final action:	
Title:	SUBJECT: Minutes of the January 16, 2014 and February 6, 2014 Planning Commission Meetings. Recommendation for Action: Staff recommends that the City Council receive the minutes of the January 16, 2014 and February 6, 2014 Planning Commission meetings that were approved February 6, 2014 and March 6, 2014 respectively.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	January 16, 2014 PC Minutes FINAL February 6, 2014 PC Minutes FINAL		

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014

SUBJECT: Minutes of the January 16, 2014 and February 6, 2014 Planning Commission Meetings.

Recommendation for Action: Staff recommends that the City Council receive the minutes of the January 16, 2014 and February 6, 2014 Planning Commission meetings that were approved February 6, 2014 and March 6, 2014 respectively.

Prepared by: Cindy Norris, Principal Planner

Reviewed by: Ken Hiatt, Community Development Director

Paul Navazio, City Manager

Attachments: January 16, 2014 Planning Commission Minutes
February 6, 2014 Planning Commission Minutes

City of Woodland

300 First Street
Woodland, CA 95695

530-661-5820

Meeting Minutes - Final
Planning Commission

Thursday, January 16, 2014 | **6:30 PM** | **Council Chambers**

A. Call to Order

The meeting was called to order by Commissioner Wurzel at 6:30pm.

B. Roll Call

Present 7 - Marco Lizarraga, Patricia Murray, Seth Wurzel, John Murphy, Kirby Wells, Chris Holt, and Fred Lopez

C. Approval of Minutes

14-007 December 19, 2013 Draft Minutes

A motion was made by Marco Lizarraga , seconded by Patricia Murray, that the Minutes from the December 19, 2013 meeting be approved. The motion carried by unanimous vote.

D. Directors Report

Staff requested that the commissioners provide any updated contact information.

Cindy Norris presented a brief update regarding the General Plan.

E. Public Comment

None

F. Communications

None

G. Subcommittee Reports

Commissioners Wurzel and Holt met with staff to discuss General Plan Update.

H. Public Hearing

This Publc Hearing was opened by Commissioner Wurzel.

Present 6 - Marco Lizarraga, Patricia Murray, John Murphy, Kirby Wells, Chris Holt, and Fred Lopez

Excused 1 - Seth Wurzel

1. **13-379** SUBJECT: Woodland Christian School - Request to approve a modification to an existing Conditional Use Permit. The proposal includes Site Plan and Design Review for the relocation of the originally approved kindergarten through 5th grade elementary school from the southern to the northern half of the project site. Minor location adjustments are proposed for the previously approved preschool building and high school gymnasium. The proposal also includes a new high school science building and the elimination of the previously approved church worship center and associated buildings. The project site is located at 1787 Matmor Road, an approximately 26 acre parcel, within the Spring Lake Specific Plan Area.

APPLICANT: David Hargadon/Jim Morrow, Woodland Christian School

STAFF CONTACT:
Erika Bumgardner, Associate Planner

RECOMMENDATION: Conditional Approval

Commissioner Wurzel recused himself from this action.

A motion was made by Patricia Murray, seconded by Fred Lopez, that the modification to an existing Conditional Use Permit be approved with the following changes to the Conditions of Approval: (1) add "The cost of materials, installation and ongoing maintenance of the required fencing along the northern property boundary shall be the responsibility of the project applicant" to Condition #11; and (2) Remove/delete Condition #14. The motion carried by unanimous vote.

I. New Business

2. **14-009** SUBJECT: Design Review for Taylor Morrison; Parkview Subdivision at Spring Lake. An application has been filed for Site Plan and Design Review for a residential project (Taylor Morrison; Parkview Subdivision at Spring Lake) on 17.13 acres (108 residential lots) within the R-8 zone of the Spring Lake Planning Area. The project consists of 108 single-family homes, 86 two-story homes and 22 one-story homes with six (6) floor plans and twenty-four (24) elevations. The homes range in size from 1,534 to 2,462 square feet.

APPLICANT: Taylor Morrison

STAFF CONTACT:
Erika Bumgardner, Associate Planner

RECOMMENDATION:

Staff recommends that the Planning Commission review and approve the proposed conceptual residential designs for Taylor Morrison; Parkview Subdivision at Spring Lake.

A motion was made by Patricia Murray, seconded by Fred Lopez, to approve the proposed conceptual residential designs for Taylor Morrison, Parkview Subdivison at Spring Lake. The motion carried by unanimous vote.

J. Old Business

K. Adjournment

The meeting was adjourned at 8:02pm.

The Planning Commission of the City of Woodland encourages all parties interested in a matter scheduled to be reviewed, discussed and acted on at a meeting, to participate in the public discourse, which may include the submission of written comments and materials. The Planning Commission notifies the public that those materials received less than 24 hours before a meeting date and time may not be able to be considered completely. Further, the Planning Commission encourages interested parties to attend the meeting to discuss any matter of concern and to explain their comments more fully.

City of Woodland Planning Commission
c/o Community Development Department
300 First Street
Woodland, CA 95695

530-661-5820

City of Woodland

Meeting Minutes - Final
Planning Commission

Thursday, February 6, 2014	6:30 PM	Council Chambers

A. Call to Order

The meeting was called to order at 6:35pm by Commissioner Wurzel.

B. Roll Call

Present 4 - Patricia Murray, Seth Wurzel, John Murphy, and Chris Holt

Absent 3 - Marco Lizarraga, Kirby Wells, and Fred Lopez

C. Approval of Minutes

14-033 SUBJECT: January 16, 2014 Planning Commission Minutes

RECOMMENDATION: Staff recommends that the Planning Commission adopt the minutes of the Planning Commission meeting of January 16, 2014 as presented.

On a motion by Commissioner Murray, seconded by Commissioner Murphy and carried unanimously, the Minutes of the January 16, 2014 Planning Commission meeting were approved as submitted.

Ayes: 4 - Commissioner Wurzel, Commissioner Holt, Commissioner Murray and Commissioner Murphy

No: 0

Abstain: 0

D. Directors Report

E. Public Comment

F. Communications

G. Subcommittee Reports

H. Public Hearing

The Public Hearing was opened by Commissioner Wurzel.

14-028 SUBJECT: Industrial I-5/CR 102 Entryway Overlay Zoning Amendment; the City of Woodland is recommending the addition of auto sales, including RV, trailer and motorcycles to the list of allowed uses within the existing Industrial I-5/CR 102 Entryway Overlay Zone (I/EOZ).

APPLICANT: City of Woodland

STAFF CONTACT:
Cindy Norris, Principal Planner
Erika Bumgardner, Associate Planner

RECOMMENDATION: Recommend City Council Approval

On a motion by Commissioner Holt, and seconded by Commissioner Murray and carried unanimously, the Planning Commission adopted Resolution PC-14-01 Recommending Approval of the attached Ordinance amending Table 3 (Industrial Land Use Table) and 3A (Industrial Uses Within the I-5/CR 102 Entryway Overlay Zone) in Section 25-18-10 of the Woodland Municipal Code to include auto sales, new and used, including RV, trailer and motorcycles as a permitted use in the Industrial I-5/CR 102 Entryway Overlay Zone, and that each table shall specify that used auto sales shall be associated with a new auto dealership.

Ayes: 4 - Commissioner Wurzel, Commissioner Holt, Commissioner Murray and Commissioner Murphy

Noes: 0

Abstain: 0

I. Adjournment

Meeting was adjourned at 6:50pm.

The Planning Commission of the City of Woodland encourages all parties interested in a matter scheduled to be reviewed, discussed and acted on at a meeting, to participate in the public discourse, which may include the submission of written comments and materials. The Planning Commission notifies the public that those materials received less than 24 hours before a meeting date and time may not be able to be considered completely. Further, the Planning Commission encourages interested parties to attend the meeting to discuss any matter of concern and to explain their comments more fully.

Legislation Details (With Text)

File #:	14-101 Version: 1	Name:	
Type:	Presentation	Status:	Agenda Ready
File created:	3/14/2014	In control:	City Council
On agenda:	3/18/2014	Final action:	
Title:	SUBJECT: Proclamation - Red Cross Month Recommendation for Action: Staff recommends that the City Council adopt a proclamation declaring March 2014 as Yolo County Red Cross Month.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	Red Cross Proclamation 2014		

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014

SUBJECT: Proclamation - Red Cross Month

Recommendation for Action : Staff recommends that the City Council adopt a proclamation declaring March 2014 as Yolo County Red Cross Month.

Staff Contact

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

Background

Red Cross month is a time when we acknowledge those who have contributed in helping to achieve the Red Cross mission of providing disaster relief to those in need.

The Yolo County Chapter of the American Red Cross is requesting that the Council acknowledge their organization by proclaiming March 2014 as Red Cross Month.

Conclusion

Prepared by: Ana B. Gonzalez, City Clerk

Paul Navazio, City Manager

Attachment

CITY OF WOODLAND

PROCLAMATION

RED CROSS MONTH – MARCH 2014

WHEREAS, March is American Red Cross Month - a special time to recognize and thank our Everyday Heroes – those who reach out to help their neighbors when they are in need.

WHEREAS, American Red Cross heroes are on the front lines every day. They volunteer their time, give blood, take life-saving courses or provide financial donations to help those in need.

WHEREAS, We would like to remember our heroes here in Woodland who give to help people in need. They work tirelessly to help in time of disaster, when someone needs life-saving blood, or the comfort of a helping hand. They provide round-the-clock support to members of the military, veterans and their families, and teach lifesaving classes in CPR, aquatics safety and first aid.

WHEREAS, Across the country and around the world, the American Red Cross responded to hurricanes, tornadoes, floods and wildfires, the tragedy at the Boston Marathon, and typhoon Haiyan in the Philippines.

WHEREAS, When an injured service member ended up in a hospital far from home, the American Red Cross offered comfort. When a hospital patient needed blood, American Red Cross blood donors helped them. When a lifeguard jumped in to save a drowning child or someone stepped up to help a heart attack victim, the American Red Cross was there.

WHEREAS, We dedicate the month of March to all those who support the American Red Cross mission to prevent and alleviate human suffering in the face of emergencies. Our community depends on the American Red Cross, which relies on donations of time, money and blood to fulfill its humanitarian mission.

NOW, THEREFORE, the City Council of the City of Woodland does hereby proclaim March 2014 as American Red Cross Month and encourages all Americans to support this organization and its noble humanitarian mission.

Dated this 18th day of March 2104

____
Marlin H. Davies, Mayor

Tom Stallard, Vice-Mayor

William L. Marble, Council Member

Jim Hilliard, Council Member

Sean Denny, Council Member

Legislation Details (With Text)

File #:	14-095	Version: 1	Name:		
Type:	Presentation		Status:	Agenda Ready	
File created:	3/11/2014		In control:	City Council	
On agenda:	3/18/2014		Final action:		

Title: SUBJECT: Proclamation Honoring Outgoing Commission on Aging Commissioner, Lucinda Talkington

Recommendation for Action: Staff recommends that the City Council recognize outgoing Commission on Aging Commissioner, Lucinda Talkington with a proclamation.

Sponsors:

Indexes:

Code sections:

Attachments: Lucinda Talkington 2014.pdf

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014

SUBJECT: Proclamation Honoring Outgoing Commission on Aging Commissioner, Lucinda Talkington

Recommendation for Action: Staff recommends that the City Council recognize outgoing Commission on Aging Commissioner, Lucinda Talkington with a proclamation.

Staff Contact

Kris Bain, Community Services Program Manager - (530) 661-2002, krista.bain@cityofwoodland.org

Background

Lucinda Talkington has made invaluable contributions to the Commission and the Citizens of Woodland for her tireless efforts and energy at accomplishing the goals of the Commission on Aging and the City of Woodland. Lucinda has dedicated her life as an advocate, mentor, and trainer; her work benefitted so many within the Woodland Community.

Mrs. Talkington resigned from the Commission on Aging February 13, 2014.

Conclusion

Staff recommends that the City Council recognize outgoing Commission on Aging Commissioner, Lucinda Talkington with a proclamation.

Prepared by: Kris Bain, Community Services Program Manager

Paul Navazio, City Manager

Attachment: Proclamation

Proclamation

Honoring Lucinda Talkington's service to the City of Woodland

Whereas, Lucinda Talkington was appointed to the Commission on Aging by the City Council on May 15, 2007 and served 7 years as a commissioner; and

Whereas, Lucinda has dedicated her life as an advocate to improve the quality of life for senior citizens throughout the community; and

Whereas, Lucinda volunteered countless hours encouraging independent living skills for blind and visually impaired individuals; and advocated for disability rights; and

Whereas, Lucinda coordinated and organized the Outa Sight Support Group for visually impaired and blind adults to mutually support one another, and organized the fundraising White Cane Dinner to support the group; and

Whereas, with the assistance of the Lion's Club, Lucinda worked with the City in 2000 to install Woodland's first audible pedestrian crossing at West and Main Streets.

Whereas, Lucinda served older adults through her volunteerism, mentorship, and civic engagement.

Now therefore, that the City Council of the City of Woodland California do hereby proclaim to recognize Lucinda Talkington for her years of dedication to the people of Woodland, as her worked benefitted so many in the Woodland Community, as she leaves the Commission on Aging.

Dated this 18th day of March, 2014

Tom Stallard, Vice-Mayor

William Marble, Council Member

Jim Hilliard, Council Member

Sean Denny, Council Member

Marlin "Skip" Davies, Mayor

Legislation Details (With Text)

File #:	14-091 Version: 1	Name:	Treasurer's Investment Report Quarter Ending 12/31/2013
Type:	Consent Item(s)	Status:	Agenda Ready
File created:	3/5/2014	In control:	City Council
On agenda:	3/18/2014	Final action:	
Title:	SUBJECT: Treasurer’s Investment Report Quarter Ending December 31, 2013 Recommendation for Action: Staff recommends that City Council accept the quarterly Treasurer’s Investment Report for the quarter ended December 31, 2013.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	Q2 FY 2014 03.18.pdf		

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014
SUBJECT: Treasurer’s Investment Report Quarter Ending December 31, 2013

Recommendation for Action : Staff recommends that City Council accept the quarterly Treasurer’s Investment Report for the quarter ended December 31, 2013.

Staff Contact

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

Fiscal Impact

There is no impact on the City funds in association with the information contained herein. This report is for informational purposes only.

Background

The City manages its investment portfolio in accordance with the guidelines established by the Council via the adopted investment policy. The City primarily invests in the Local Agency Investment Fund (LAIF) and federal agency obligations because these are generally considered low risk investments.

Each quarter staff is required to provide the City Council with a report form the City Treasurer on the status of the City's investment portfolio. The purpose of this report is to provide the Council with information regarding liquidity, monthly cash flow and expected cash disbursements.

Discussion

The City Investment Policy has established a benchmark equal to the 90-day U.S. Treasury bill which for the quarter ending December 2013 was 0.07%. The yield on the Local Agency Investment Fund (LAIF) balances for the quarter ending December 2013 was 0.26%. This City has therefore met its goal of obtaining a rate of return greater than the established U.S. Treasury benchmark. Due to the low interest rate environment, longer-term investment options (up to or greater than 12 months) have been limited.

The attached reports provide a summary of the City's current investments and include the investment interest rates as they have matured and current rates for new investments. All activities comply with the existing Investment Policy approved by City Council. Additionally, a report entitled "Cash with Fiscal Agent" is included which lists the most recent information available regarding investments for the assessment districts/bond reserve fund dollars.

As the interest rate climate improves, staff anticipates being more proactive in managing the City's pooled cash so as to increase yield and generate additional interest earnings while, at the same time, ensuring that the portfolio's primary goal of ensuring safety and liquidity is preserved.

Conclusion

Staff recommends that City Council accept the quarterly Treasurer's Investment Report for the quarter ended December 31, 2013.

Prepared by: Adam Devlin
Senior Accountant

Reviewed by: Kimberly McKinney
Finance Officer/Treasurer

Paul Navazio, City Manager

Attachment

CITY OF WOODLAND
INVESTMENT REPORT

December-13

SUMMARY OF INVESTMENTS

TYPE OF INVESTMENT	AMOUNT	TOTAL
Local Agency Investment Fund (LAIF)	49,993,115.76	100.0%
TRANS bond proceeds	0.00	0.0%
FHLB Bonds	0.00	0.0%
FFCP Bonds	0.00	0.0%
FNMA	0.00	0.0%
Freddie Mac	0.00	0.0%
TOTAL	**49,993,115.76**	100.0%

PORTFOLIO

	Interest	*Amount*
LAIF		**49,993,115.76**
TRANS bond proceeds		**0.00**
	SUBTOTAL	**49,993,115.76**

	Maturity Date	*Interest*	*Call Date*	*PAR Amount*	*Purchase Price*
Total Investments				**0.00**	
Total of LAIF Funds & Investments Detail				**49,993,115.76**	
Check Total (Should be zero)				-	

CITY OF WOODLAND
INVESTMENT REPORT

CASH ACCOUNTS as of 12/31/13

Bank Accounts with U.S. Bank	$4,663,222.55
Petty Cash	***$3,290.00***
Cash with Fiscal Agent	*$8,340,137.72*

INTEREST SUMMARY

Prior Quarters Interest Earned - Investments	$0.00
Prior Quarters Interest Earned - LAIF	$29,399.01
Total Interest Received	$29,399.01
Interest Received from October 1, 2013 to December 31, 2(	$32,316.71
Total Fiscal Year-to-Date Interest Received	**$61,715.72**

The interest received does not always represent the interest earned. LAIF records interest on a quarterly basis but does not report it until the 15th of the month following the end of the quarter. The interest received on Treasury Notes is received every six months either on the 15th or the last day of the month. Bond interest is posted every six months to the date of settlement.

CITY OF WOODLAND
INVESTMENT REPORT

Current Market Value
0.00

CITY OF WOODLAND
INVESTMENT REPORT

CITY OF WOODLAND
ACTIVITY REPORT

DATE	DESCRIPTION	DEBIT	CREDIT	DEBITS
LAIF	**TREASURER**			
10/01/13	Month Beginning Balance			**49,960,799.05**
10/15/13	Quarterly Interest	32,316.71		**49,993,115.76**
		32,316.71	-	**49,993,115.76**

TRANS bond proceeds in Guaranteed Investment Contract

		0.00

Bonds and Other Investments

10/01/13	BEGINNING BALANCE	**0.00**
12/31/13	Month End Balance	**0.00**

END OF MONTH TOTAL DEBITS	**49,993,115.76**
Check Total (Should be Zero)	-

Transactions w/LAIF	1
Purchase of New Bonds	0
Bonds Called	0
Purchase of New CD	0
CD Matured	0
Bonds Sold	0
Bonds Matured	0

East-Main Assessment District						Int Earned
Series 2001 RDM FD issue	Current Balance			Current Balance		Current Month
Reserve Account	$992,258.94			$992,258.94	Cash Mgmt-1st Am Treasury	24.47
Refunding Bonds	$5.10			$5.10	Cash Mgmt-1st Am Treasury	0.00
1992 Wastewater						
			AIG-Notes, Mortgages, etc			
reserve fund	$155,902.66			$155,902.66	Cash Management-Fidelity	3.84
interest fund	$253,037.51			$253,037.51	Cash Management-Fidelity	0.00
Revenue Fund	$2.21			2.21	Cash Management-Fidelity	0.00
interest fund	$416,213.75			416,213.75	Cash Management-Fidelity	0.00
Reserve fund	$937,320.18			$937,320.18	Cash Management-Fidelity	23.11
CFD - Gibson Ranch						
94-1						
Spc tax debt svc	$0.00			$0.00	Cash Mgmt-1st Am Treasury	0.00
reserve acct	$177,636.20			$177,636.20	Cash Mgmt-1st Am Treasury	0.88
Spc tax debt svc	$0.00			$0.00	Cash Mgmt-1st Am Treasury	0.00
Series 2001 Acct	$445.32			$445.32	Cash Mgmt-1st Am Treasury	0.00
2004 Refunding spc tax	$0.00			$0.00	Cash Mgmt-1st Am Treasury	0.00
2004 Refunding spc tax	$0.00			$0.00	Cash Mgmt-1st Am Treasury	0.00
2004 refund spc tax rsv	$949,792.83			$949,792.83	Cash Mgmt-1st Am Treasury	0.00
2004 Subordinate (Incl Reserve)	$226,795.00			$226,795.00	Cash Mgmt-1st Am Treasury	0.00
Spring Lake 2004						
Special Tax Fund	$0.00			$0.00	Cash Mgmt-1st Am Treasury	0.00
Bond Reserve	$20.03			$20.03	Cash Mgmt-1st Am Prime Obligation	0.00
Spring Lake 2013						
Reserve Fund	$2,179,394.39			$2,179,394.39	Cash Mgmt-1st Am Prime Obligation	10.79
Revenue Anticipation Notes						
Cap Projects/Revenue Bonds 2002						
reserve acct.	$0.00	$0.00	Cash Mgmt-1st Am Treasury	$0.00	FSA Capital Mgmt Svcs LLC	0.00
revenue fund	$2.41			$2.41	Cash Mgmt-1st Am Prime Obligation	0.00
Cap Projects/Revenue Bonds 2005	$0.00	$0.00	Cash Mgmt-1st Am Treasury			0.00
reserve acct.	$5.40		Cash Mgmt-1st Am Treasury	$5.40	FSA Capital Mgmt Svcs LLC	0.00
Interest acct	$0.00			$0.00	Cash Mgmt-1st Am Prime Obligation	
revenue acct.						
Water Revenue Bonds 2011						
revenue acct.	$192.01			$192.01	US Bank Mmkt 5 -Ct	0.00
Interest acct.	$0.00			$0.00		
reserve acct.	$1,324,577.50			$1,324,577.50	US Bank Mmkt 5 -Ct	32.66
proceeds acct	$0.00			$0.00	US Bank Mmkt 5 -Ct	0.00
Bond Anticipation Notes						
2007 RDA TABS						
Tax Revenue Fund	$161.46			$161.46	Cash Mgmt - Ist Am Treasury Oblig	7.80
Interest Account	$1.65			$1.65	Cash Mgmt - Ist Am Treasury Oblig	1.01
Principal Account	$0.00			$0.00	Cash Mgmt - Ist Am Treasury Oblig	0.00
reserve account - 2007 A	$483,108.48			$483,108.48	Cash Mgmt - Ist Am Treasury Oblig	11.91
reserve account - 2007 B	$110,896.30			$110,896.30	Cash Mgmt - Ist Am Treasury Oblig	2.73
CDBG Account						
Savings Account	$132,368.39	$138,204.50	Bank of America - Quarterly Bank Statement			0.00
Checking account	$0.00	$0.00	Bank of America - Monthly Bank Statement			
TOTAL	$8,340,137.72					
Check Summary Total (Should be zero)	$0.00					

Legislation Details (With Text)

File #:	14-070 Version: 1	Name:	
Type:	Consent Item(s)	Status:	Agenda Ready
File created:	2/25/2014	In control:	City Council
On agenda:	3/18/2014	Final action:	
Title:	SUBJECT: Final Acceptance and Notice of Completion for Water Meter Project, Phase 3, CIP 12-09 Recommendation for Action: Staff recommends City Council accept the Water Meter Project, Phase 3 construction contract as complete and authorize the City Clerk to file a Notice of Completion.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:			

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014

SUBJECT: Final Acceptance and Notice of Completion for Water Meter Project, Phase 3, CIP 12-09

Recommendation for Action : Staff recommends City Council accept the Water Meter Project, Phase 3 construction contract as complete and authorize the City Clerk to file a Notice of Completion.

Fiscal Impact

The total project budget was $1,430,000. The completed project cost including design, construction, project management and staff costs was $1,376,290 - approximately 3.7% under budget. The original contract with GM Construction was for $891,112; however, change orders have been issued totaling $159,099, bringing the total contract amount to $1,050,211. The project was funded entirely from water enterprise funds.

Background

Phase 3 of the meter implementation project installed meters on approximately 275 individually owned single-family residential units and associated landscape services located in six planned unit development and/or condominium projects. Additionally, the remaining unmetered commercial connections discovered since the completion of the Phase 2 Project were included in this project. With the completion of CIP 12-09, Water Meter Implementation Phase 3, the City will have all water connections metered and on consumption-based billing.

The contractor began construction of the Water Meter Project, Phase 3 project in June, 2013 and finished the work in December, 2013.

Twelve change orders were issued in the amount of $159,099 for unforeseen site conditions and for corrections to the materials being utilized. Work was performed for the following major change orders (over $25,000):

Additional work was provided at the request of Public Works and Finance to modify the water systems of 5 park sites to separate the metering of the landscaping water from the domestic water use. This was done to allow the separate water usages to be measured and charged at the proper rates. This additional work resulted in an increase of $67,905.

Public Works requested changes to the installation details for the larger meters. These changes were to provide better access to perform maintenance and testing and to minimize the impacts to the customers. This additional work resulted in an increase of $33,627.

The Contractor was also requested to relocate and lower an existing water main at the intersection of Third and Hays to provide the clearances necessary to construct the improvements for the Safe Routes to School Project CIP No. 13-06. The new storm drain was in conflict with the existing water main. This extra work was performed for $30,000.

<u>Conclusion</u>

Staff recommends City Council accept the Water Meter Project, Phase 3 construction contract as complete and authorize the City Clerk to file a Notice of Completion.

Prepared by: James Heath, Associate Civil Engineer

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

Paul Navazio, City Manager

Legislation Details (With Text)

File #:	14-103	Version: 1	Name:		
Type:	Consent Item(s)		Status:	Agenda Ready	
File created:	3/14/2014		In control:	City Council	
On agenda:	3/18/2014		Final action:		
Title:	SUBJECT: Support Position: SB 1262 (Correa) - Medical Marijuana Recommendation for Action: Staff recommends that the City Council provide the attached letter of support for Senate Bill (SB) 1262 (Correa) related to Medical Marijuana.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	SB 1262_Chart_Attach SB 1262_Support Letter 3 18 14				

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014
SUBJECT: Support Position: SB 1262 (Correa) - Medical Marijuana

Recommendation for Action : Staff recommends that the City Council provide the attached letter of support for Senate Bill (SB) 1262 (Correa) related to Medical Marijuana.

Fiscal Impact

There is no cost associated with providing support for SB 1262.

Background

Since the approval by voters in 1996 of the Compassionate Use Act (Proposition 215), state law has allowed Californians access to marijuana for medical purposes, and prohibited punitive action against physicians for making medical marijuana recommendations. SB 420 (2003), allowed patients and primary caregivers to cultivate marijuana for personal use and established in the Department of Public Health a medical marijuana card program for patients to use on a voluntary basis.

In the intervening 11 years, no broader, feasible regulatory structure has been established, and the implementation of the Compassionate Use Act has been marked by conflicting authorities, regulatory chaos, intermittent federal enforcement action, and a series of lawsuits which have tested the limits of the Act, and focused on the extent of the authority of local government.

Nearly all attempts at medical marijuana legislation in California have been geared toward state pre-emption, and unsympathetic to the authority of local government. None have been health-based, despite the medical rationale that spawned Prop. 215. None have sought to impose any health and safety standards, despite the fact that the regulatory structure they tried to establish would have exercised oversight over what is known to be a psychotropic substance. And finally, no legislation has squarely addressed the many public safety concerns triggered by such a regulatory scheme.

Discussion

This measure is fundamentally about three things: advancing local control, protecting public safety and creating uniform health and safety standards that ensure the lawful distribution of medical marijuana only in those cities and counties in which it is authorized. It carefully safeguards the right of cities and counties to decide whether to regulate and prohibit medical marijuana cultivation and distribution.

This proposal provides a much needed and long overdue framework to effectively implement Proposition 215, the Compassionate Use Act. That initiative, which voters passed in 1996, provided patient access to medical marijuana. However it did not include a comprehensive framework for implementation that provided local governments the authority to create and enforce locally driven policies, nor did it ensure public safety by providing clear guidelines for medical marijuana regulations.

Specifically, SB 1262 will:

- **Protect local control** by precluding an operator from obtaining a state license unless the operator has first secured all necessary local permits from a particular jurisdiction;
- **Uphold local governments' ability to ban dispensaries and all related facilities**;
- **Impose tighter regulations** on doctors who issue medical marijuana recommendations, including new training and record keeping requirements as well as fines, and a strict regimen for recommendations to minors;
- **Impose uniform quality assurance standards** as well as health and safety standards to be administered by counties with oversight by the Department of Public Health;
- Require a series of detailed **security measures to prevent diversion and recreational use** at all medical cannabis facilities.

Last month, the Board of Directors of the League of California Cities voted to co-sponsor legislation to improve the regulation of medical cannabis in a manner that protects local control, addresses important public safety concerns, and enhances health and safety standards. The legislation, Senate Bill 1262, is sponsored by the California Police Chiefs Association and authored by Senator Lou Correa, a veteran legislator who has a long history of working with law enforcement organizations as well as local government. SB 1262 will for the first time provide a clear road map for the responsible implementation of Proposition 215 in California, since voters approved it in 1996. SB 1262 does so by:

- Upholding current law and building on existing policies to ensure cities have control of regulating local medical marijuana facilities;
- Requiring local medical marijuana dispensary owners to secure all local permits in order to obtain a state license.
- Preventing recreational marijuana users from having easy access to medical marijuana for non-medical purposes, which threatens public safety; and
- Creating stronger tools for the California Medical Board to monitor and regulate doctors recommending

medical marijuana, make inquiries and audit doctors under specified circumstances, and establishing a certification process for doctors. Doctors would also be required to complete updated training and follow record keeping requirements to track the number of medical marijuana recommendations.

Recent events in the medical marijuana arena have compelled both the California Police Chiefs Association and the League of California Cities to re-evaluate their longstanding respective positions of unconditional opposition to legislation on this issue. In 2013, the two organizations joined forces to defeat no fewer than four bills in the California Legislature that sought to regulate medical marijuana. Each of the bills were opposed over concerns they would have preempted local control, ignored significant public safety concerns, and failed to address important health and safety issues.

The political landscape on this issue is also shifting. In August 2013, the U.S. Department of Justice issued a memorandum stating that it would refrain from enforcing the federal Controlled Substances Act as it applied to medical marijuana, so long as dispensary operators were in compliance with state and local laws, and were not selling to or facilitating transfers to minors. In the fall of 2013, the Public Policy Institute of California released a poll indicating that 60 percent of likely California voters supported legalization. These developments indicate a changing attitude toward marijuana on the part of the federal government and California's voting public.

California Police Chiefs Association and the League of California Cities independently came to realize that it is increasingly likely that in the near future some statewide regulatory structure for medical marijuana could be enacted. This proposal, which has been carefully vetted with city attorneys, police chiefs, and the League's Public Safety Policy Committee, provides what California has lacked since the passage of Proposition 215 in 1996: a reasonable public safety and health-based approach to implementing this proposition in a state with great size and diversity.

Conclusion

Staff recommends that the City Council authorize Mayor Davis to sign the attached letter of support for SB 1262, and direct staff to forward the support letter to author as well as the members of the Senate Business, Professions and Economic Development Committee.

Paul Navazio, City Manager

Attachments: 1) Summary Chart - Provisions of SB1262
2) Draft City Council Letter of Support - SB 1262 (Correa)

Comparison

Current Law, Recent Medical Marijuana Legislation, and Police Chiefs/League 2014 Medical Marijuana Proposal

	Current Law	**Recent (2013) Legislation**	**2014 Medical Marijuana Proposal**
Local Control	Yes, but it is tenuous. *Riverside v. Inland Empire* (Cal. Supreme Ct. case) – upholds local bans, but decision invited Legislature to take further action to clarify law; periodic litigation prevails	No. All bills sought to override local control, with exception of AB 473 (Ammiano) – protected local control with strong anti-pre-emption language (Health & Safety Sec. 11362.83)	Yes. Unconditionally upholds local control (state license dependent upon evidence of local permitting approval)
Public Safety (Diversion)	Diversion generally prohibited under Compassionate Use Act and Health &Safety Sec. 11362.5(b)(2), but no specific provisions of law regulate dispensaries to help prevent it	No provisions expressly addressing diversion (not even a recitation of existing law)	Specifies the following: required security procedures at MM facilities, including secure storage of product; triggering events requiring local law enforcement notification; procedures for transport and inventorying of product
Public Safety (Recreational Use)	Prohibited by current law, but recreational use tolerated in many jurisdictions, so long as amounts do not indicate possession for sale	No provisions expressly addressing recreational use (but AB 604 (Ammiano) included reference to traffic in *both* cannabis and medical cannabis)	(see above)
Regulation of Doctors	Prop. 215 prohibits professional licensing boards from disciplinary or other action vs. doctors solely for issuing MM recommendations; further regulation dependent entirely on action on complaints by CA Medical Board	Generally dependent on action on complaints by CA Medical Board (CMB); Exception: SB 439 (Steinberg) directed CMB to prioritize investigation of doctors recommending MM without patient exam, and defined this activity, as well as aiding unlicensed practitioners to make recos, as unprofessional conduct	Requires special certification, doctor-patient relationship, and in-person exam to make MM recommendations; THC/CBD* content must be specified; strict standards for recos to minors; requires record keeping and monthly reports to CA Medical Board; includes triggers for audits

* THC: Tetrahydrocannabinol, the main psychoactive component in marijuana, known to permanently hamper brain development in minors. CBD: Cannabidiol, a cannabinoid that is a major component of marijuana plants, second only to THC, with psychoactive properties but lacking THC's intoxicating quality. CBD has analgesic (pain relieving) properties effective in treating PTSD, Chron's Disease, multiple sclerosis, and some forms of epilepsy.

	Current Law	Recent (2013) Legislation	2014 Medical Marijuana Proposal
State Licensing Authority	Non-existent (But SB 420 (2003) authorized Dept. of Public Health to administer voluntary medical marijuana card program)	Dept. of Alcoholic Beverage Control	Dept. of Public Health
Health & Safety Standards	Non-existent	Non-existent	Requires compliance with CA Sherman Food, Drug and Cosmetic Law (AB 1277, 2012); Prohibits use of non-organic pesticides; County health depts. to enforce with Dept. of Public Health oversight
Quality Assurance Standards	Non-existent	Non-existent	Requires Dept. of Public Health to establish quality assurance standards to protect vs. any contaminants not covered by other provisions
Health Based Regulatory Entity	No designated central regulatory entity (but Dept. of Public Health issues voluntary medical marijuana cards per SB 420 (2003)	No. All legislation has designated the Dept. of Alcoholic Beverage Control as the regulatory entity	Yes. Dept. of Public Health, the CA Medical Board, and county health departments each have critical role

* THC: Tetrahydrocannabinol, the main psychoactive component in marijuana, known to permanently hamper brain development in minors. CBD: Cannabidiol, a cannabinoid that is a major component of marijuana plants, second only to THC, with psychoactive properties but lacking THC's intoxicating quality. CBD has analgesic (pain relieving) properties effective in treating PTSD, Chron's Disease, multiple sclerosis, and some forms of epilepsy.

March 19, 2014

Senator Lou Correa
State Capitol, Room 5061
Sacramento, CA 95814
FAX: (916) 651-4934

RE: <u>SB 1262 (Correa) – Medical Marijuana</u>
Notice of Support

Dear Senator Correa:

The City of Woodland supports your medical marijuana legislation, Senate Bill 1262, which will provide what we have lacked in California since the voters approved Proposition 215 in 1996: a responsible, health-based regulatory scheme that upholds local control, squarely addresses public safety concerns, and includes important health and safety requirements.

Previous legislation in this area has sought to pre-empt or undermine local control, only partially addressed the significant public safety concerns raised by medical marijuana, and failed to address important health and safety issues that are inevitably triggered by a regulatory process for any medicine. SB 1262 with its public safety, local control and health-based approach, therefore represents a welcome change.

As a municipal government, we are on the front lines on this issue along with our local police department, and have to cope with the effects of the current chaotic regulatory structure for medical marijuana on a daily basis. We applaud your effort to put a responsible regulatory structure in place that protects patient access while protecting local control and addressing public safety issues. We believe that local governments should have a prominent role in any regulatory process for medical marijuana, and therefore support the approach in SB 1262.

We appreciate the work that went into developing this proposal, including input from city attorneys, law enforcement, and consultation with jurisdictions that have imposed bans, as well as those that allow medical marijuana dispensaries to operate under the control of local ordinances.

Finally, we appreciate the incorporation of health and safety standards into the bill, and stand ready to work with county officials who will enforce these standards to ensure smooth implementation should SB 1262 become law.

Once again, thank you for your leadership on this issue.

Sincerely,

Marlin “Skip” Davies, Mayor
City of Woodland

Cc: Senate Business and Professions Committee FAX: (916) 324-0917
Charles Anderson, Regional Public Affairs Manager, League of California Cities (via email)
Tim Cromartie, League of California Cities, tcromartie@cacities.org

Legislation Details (With Text)

File #:	14-092 Version: 1	Name:	
Type:	Consent Item(s)	Status:	Agenda Ready
File created:	3/6/2014	In control:	City Council
On agenda:	3/18/2014	Final action:	

Title: SUBJECT: Police Department Mobile Video System Upgrade

Recommendation for Action: Staff recommends the City Council approve Resolution No. _____ authorizing the purchase of an upgraded mobile video system for the Police Department through a Purchase Order with Lehr Auto Electric in the amount of $178,901.

Sponsors:

Indexes:

Code sections:

Attachments: PD Mobile Video Reso

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014
SUBJECT: Police Department Mobile Video System Upgrade

Recommendation for Action : Staff recommends the City Council approve Resolution No. _____ authorizing the purchase of an upgraded mobile video system for the Police Department through a Purchase Order with Lehr Auto Electric in the amount of $178,901.

Staff Contact

Lt. Don Beal, don.beal@cityofwoodland.org
Elle Murphy, Management Analyst, elle.murphy@cityofwoodland.org

Fiscal Impact

The approved FY13/14 budget included a one-time allocation of $130,000 for the upgrade of the Police Department's mobile video system. This estimate was based on initial research and cost estimates provided by prospective vendors. The Police Department has since finalized its evaluation of how best to replace the existing, obsolete mobile video system and has determined that the replacement system will cost an estimated $178,901. The Police Department and Finance have identified savings within the existing approved budget to cover the gap of roughly $49,000 needed for this purchase. The City Manager has also approved the internal transfer of funds, within the overall budget authority provided by the City Council, for this purpose.

Background

The mobile video system has become a valuable tool to confirm and ensure a high degree of officer professionalism. The ability to record video footage of events involving the public from a patrol car perspective has proven invaluable in such matters as traffic stops, criminal investigations and arrests, internal affairs, and training. These systems are constantly improving and becoming more cost effective.

Most video recordings of criminal activity are invaluable in the subsequent criminal proceedings. Others have provided an expedited means to resolve citizen complaints. One study by the International Association of Chiefs of Police, (IACP), showed that officers were exonerated 93% of the time in cases where in-car video evidence was available.

The greatest value of the mobile video system is that of a silent witness. Videos can speak for an officer if, for whatever reason, the officer cannot speak for themselves.

Discussion

The current mobile video system is approximately 8 years old and repair/replacement of some parts are now impossible. The microphones carried by the officers are no longer made, nor are they supported. If they malfunction, we cannot repair or replace them. Currently, the system is showing signs of age with malfunctions that we are trying to work through. The chances of further more complex problems with the old system grow each day.

The Department currently uses the Panasonic Arbitrator P2. While the Department could have defaulted to upgrading to the latest version of the Arbitrator, we chose instead to conduct in-depth research regarding comparable systems available. Our research findings are summarized below:

1. Stalker CopTrax
   The Department field-tested the Stalker CopTrax in-car video system for approximately 6 weeks. The CopTrax system had many features, such as live desktop streaming, geo-fencing capability, and desktop video playback that were unreliable in functionality. This system is fairly new on the market and there are several “bugs” that needed to be worked around. Overall, this system was not reliable, yet the cost was relatively high at more than $147,000.

2. Pro-Vision
   A representative from Pro-Vision came to the Department and provided a demonstration. During the demonstration, the vendor representative could not answer questions posed by Department and City I.S. staff. The system seemed like it would work for our needs except for one major problem; there was no video security built into the system at all. Any and all videos that were recorded from any of the patrol cars could be accessed and viewed by anyone with access to the system at any time. Videos could not be stored securely into our Property/Evidence system and therefore any secure chain-of-custody was not possible. Furthermore, the way this system was built, it was not possible to go back and build in security features like those that we require for our evidence. Pro-Vision’s estimated cost was just over $87,000, but the lack of security made this system useless to us.

Additional research was completed on 13 additional in-car video systems available on the market. The research identified problematic issues with each one of the additional vendor’s systems. Most of the issues dealt with not only the lack of seamless transfer of evidentiary videos from the patrol car to the Department’s Property/Evidence system within the police department, but also with the security of the videos once they were in the system. These video systems allowed users to simply log into the system’s video storage area and view, copy, save, and transfer any of the videos held within. This ease of accessibility comprises the Department's need for security. The additional vendors researched were:

1) Apollo Video Technology
2) Coban Technologies
3) Data911
4) Decatur Electronics
5) Digital Ally
6) Eagleye
7) Federal Signal
8) ICOP
9) L-3 Mobile-Vision
10) Martel Electronics
11) Motorola
12) WatchGuard Video
13) 10-8 Video

The Department then considered the latest version of Arbitrator, Arbitrator 360HD, offered by Lehr Auto Electric (Sacramento) and found it far superior to the other systems tested and reviewed. More importantly, the Arbitrator 360HD provides the required security that we need. Video security is essential for the preservation and later courtroom presentation of evidentiary videos. Any breaches in the security structure of the videos can raise questions as to their authenticity during the judicial process. Any doubt that could be raised as to the security of evidence videos has the potential for criminal cases to be compromised. The Arbitrator 360HD video system is the only system that provides the level of video security to which we have become accustomed. We have utilized the Arbitrator system for many years and have no known breaches in the security of any of the thousands of videos that have been stored and/or presented in court.

Given the results of our extensive research, staff recommends - with the concurrence of the Public Safety Chief and City Manager - that Arbitrator 360HD mobile video system be selected via a sole source procurement with Lehr Auto Electric. There is also the added benefit of working with a local business and further strengthening our professional relationship with Lehr, which also does the build-out of all our patrol vehicles.

<u>Conclusion</u>

Staff recommends the City Council approve Resolution No. _____ authorizing the purchase of an upgraded mobile video system for the Police Department through a Purchase Order with Lehr Auto Electric in the amount of $178,901.

Prepared by: Don Beal, Patrol Lieutenant
Elle Murphy, Senior Management Analyst

Reviewed by: Dan Bellini, Public Safety Chief

Paul Navazio, City Manager

RESOLUTION NO. _______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND AUTHORIZING THE PURCHASE OF A MOBILE VIDEO SYSTEM FROM LEHR AUTO ELECTRIC IN THE AMOUNT OF $178,901

WHEREAS, the City of Woodland's current mobile video system is approximately 8 years old and essentially obsolete; and

WHEREAS, the use of mobile video has become an essential tool to confirm officer professionalism as well as an invaluable piece of evidence in certain criminal proceedings; and

WHEREAS, the Police Department conducted in-depth research on mobile video systems including on-site testing to determine what type of system is needed; and

WHEREAS, the City must ensure that that evidentiary videos are seamlessly transferred from the patrol car to the Police Department's Property/Evidence system so that they may be used in the judicial process without their authenticity being questioned; and

WHEREAS, the Arbitrator 360 HD available through Lehr Auto Electric is the only mobile video system available that ensures the level of video security to which we have become accustomed; and

WHEREAS, Lehr Auto Electric is the only local vendor that provides the Arbitrator 360 HD; and

WHEREAS, Lehr Auto Electric has quoted a cost of $178,901 to provide the Arbitrator 360 HD mobile video system to the City of Woodland; and

WHEREAS, the City Council wishes to approve the purchase of the mobile video system and authorize its procurement through the adoption of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOODLAND:

SECTION 1. That the City Council hereby approves the sole source purchase of the Arbitrator 360 HD mobile video system from Lehr Auto Electric in the amount of $178,901.

PASSED AND ADOPTED by the City Council this ____ day of _____, 2014, by the following vote:

AYES: None
NOES: None
ABSENT: None
ABSTAIN: None

____
Marlin H. Davies, Mayor

ATTEST:

____
Ana B. Gonzalez, City Clerk

APPROVED AS TO FORM:

____
Kara K. Ueda, City Attorney

Legislation Details (With Text)

File #:	14-088 Version: 1	Name:	
Type:	Report of the City Manager	Status:	Agenda Ready
File created:	3/4/2014	In control:	City Council
On agenda:	3/18/2014	Final action:	
Title:	SUBJECT: Update on the Lower Sacramento Delta North Regional Flood Management Plan and CIP#09-15 Lower Cache Creek Flood Study Recommendation for Action: Staff recommends that City Council receive this update on the status of the Lower Sacramento/Delta North Regional Flood Management Plan (RFMP) and the City's flood control efforts.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:			

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014

SUBJECT: Update on the Lower Sacramento Delta North Regional Flood Management Plan and CIP#09-15 Lower Cache Creek Flood Study

Recommendation for Action: Staff recommends that City Council receive this update on the status of the Lower Sacramento/Delta North Regional Flood Management Plan (RFMP) and the City's flood control efforts.

Staff Contact

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

Fiscal Impact

The Lower Cache Creek Flood Study is funded in the Capital Budget, CIP# 09-15. The RFMP is funded through a Department of Water Resources grant.

Background

The Lower Sacramento/Delta North Regional Flood Management Plan

The Lower Sacramento/Delta North Regional Flood Management Plan (RFMP) is the regional follow-on to the 2012 Central Valley Flood Protection Plan (CVFPP) and is being developed at the local and regional level with partial funding from the California Department of Water Resources (DWR). The RFMP will establish the flood management vision for the Region and identify a prioritized list of regional actions including improvements to existing flood management facilities. The Region encompasses portions of Yolo, Solano, Sacramento, and Sutter Counties and contains a diverse set of stakeholder groups in urban and rural areas with varied interests. The RFMP is being developed by FloodProtect, a regional working group that is made up of representatives from nearly all of the Region's land use and flood management agencies and stakeholders.

The RFMP planning process has led to a strong partnership being developed among the local flood management interests in our region. The RFMP planning efforts could include the following elements:

- Flood Management - Structural and nonstructural projects that address NFIP rate concerns as well as providing 200-year flood protection for communities, including Woodland.
- Agricultural sustainability - Avoiding and minimizing impacts to agriculture when possible, but also working with the agricultural community to identify where strategic investments in agricultural infrastructure, coupled with developing a long term funding stream, could promote the long term sustainability of the agriculture and recognizes the importance of agriculture to our regional economy and flood management system.
- Conservation - Development of locally acceptable environmental enhancements to the Sacramento River and Yolo Bypass that achieves the objectives of the USBR/DWR's BioOp Project and DWR's Conservation Strategy.
- Water Supply - Inclusion of elements that increase the reliability of our existing water supply system where there is a nexus to a conservation or flood management action.

Ric Reinhardt from MBK Engineers is the City of Woodland's Flood Protection Program Manager and also leads the Working Group for the RFMP. Ric will be presenting the status of the RFPM at the meeting and will also include a brief discussion on the City's flood protection efforts.

Lower Cache Creek Flood Protection

The City continues to advance the Lower Cache Creek Feasibility Study (LCCFS) with the Corps of Engineers as part of its 3x3x3 Feasibility Study process. The current project schedule contemplates completing Milestone 1 (Identify Alternatives) in Spring 2014 and completing Milestone 5 (Chief's Report) in May 2016. Funding to complete the Corps Feasibility Study, however, remains an issue. The overall cost of the Feasibility Study is $3 million, with half of the funding to come from the Corps of Engineers and half from the local / state partner cost-share. Just last week, we learned that the President's 2015 budget includes $800,000 in support of the LCCFS. This would bring the total Corps funding provided to date to roughly $1 million, and efforts remain underway to identify and secure additional funding in the current-year federal budget for this project.

The City is also looking to expand options available to the City for flood control in conjunction with the RFMP. The City is preparing a scope of work to also prepare a feasibility study for Lower Cache Creek with the State Department of Water Resources as the project's partner that would also advance goals of the RFMP and provide flood protection to Woodland.

<u>Conclusion</u>

Staff recommends that City Council receive this update on the status of the RFMP and the City's flood control efforts related to Lower Cache Creek.

Prepared by: Tim Busch, Principal Utilities Civil Engineer

Reviewed by: Brent Meyer, City Engineer

Ken Hiatt, Community Development Director

Paul Navazio, City Manager

Legislation Details (With Text)

File #:	14-094	Version: 1	Name:	
Type:	Report of the City Manager		Status:	Agenda Ready
File created:	3/11/2014		In control:	City Council
On agenda:	3/18/2014		Final action:	
Title:	SUBJECT: Update on the Yolo Rail Realignment Project Recommendation for Action: Staff recommends that City Council receive this update on the status of the Yolo Rail Realignment efforts.			
Sponsors:				
Indexes:				
Code sections:				
Attachments:	Fig_1_Rail_Relocation_Proj_Rev-P-flat			

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014
SUBJECT: Update on the Yolo Rail Realignment Project

Recommendation for Action : Staff recommends that City Council receive this update on the status of the Yolo Rail Realignment efforts.

Staff Contact

Wendy Ross, Economic Development Manager-530-661-5921, wendy.ross@cityofwoodland.org

Council Goal

Infrastructure -Ensure that the City's physical infrastructure is planned, funded, and maintained to provide for current and future community needs, in support of commercial, recreational, and environmental requirements and standards, while managing the overall cost consistent with available resources.

Economic Development -Provide for a diversified economic base with a range of employment opportunities by supporting growth of existing businesses, and provided expanded opportunities for new businesses through targeted infrastructure investments and leveraging existing community and regional assets.

Fiscal Impact

There is no impact to the General Fund.

Background

With support from the County, the cities of Woodland, Davis, and West Sacramento have long been interested in relocating existing railroad facilities to improve the operation of regional flood control systems, to stimulate local economic development and address public safety. To raise the public profile of this effort and increase funding opportunities, the City Council's of the three cities, the Yolo County Board of Supervisors and the governing body for the Sacramento Area Flood Control Agency ("SAFCA") all adopted formal resolutions (July 2013) directing the formation of a "Rail Realignment Working Group" (the "Working Group"). The Working Group is also coordinating directly with the Project Delivery Team ("PDT") of local agencies on flood-related aspects of the Regional Flood Management Plan ("RFMP") and is funded in part by the California Department of Water Resources.

Discussion

The Working Group is applying to the United States Department of Commerce Economic Development Administration for a planning and technical assistance grant to support work detailing the economic impacts and opportunities. Twenty-five letters of support from various public and private agencies have been submitted in support of the Working Group's effort to secure EDA funds to implement the Rail Realignment action plan.

The grant would provide funding for the Working Group to develop an action plan for the rail realignment and to ensure that the project will create new jobs and redevelop abandoned urban rail lines in Woodland, West Sacramento and Davis. The study will also seek to determine the benefits of the rail realignment and analyze the potential access of rail by Woodland's industrial area that is currently under-served.

Such work would include examining the relocation of two existing railroad lines--Sierra Northern Railroad's line from Woodland to West Sacramento via the Elkhorn Basin, and the Union Pacific/California Northern Railroad line that runs between Woodland and Davis--as well as construction of a new spur line to connect the Union Pacific Railroad main line to the west side of the Port of West Sacramento. (See conceptual draft rail realignment map-Attachment A).

The Working Group also plans to strengthen its annual advocacy for rail realignment through the Metropolitan Chamber of Commerce Cap-to-Cap program in May. Staff made a presentation to the Cap-to-Cap Transportation Committee on March 11th and there was enthusiastic support by the committee to include this project on the agenda to be presented at Cap-to-Cap to various agencies and representatives including the Federal Railroad Administration (FRA).

Commission/Committee Recommendation

The Economic Development Subcommittee received an update on the Working Group efforts with the Rail Realignment on March 3rd and the Yolo County Board of Supervisors received a presentation on the "Water, Flood & Rail Relocation Workshop" on March 4th.

Conclusion

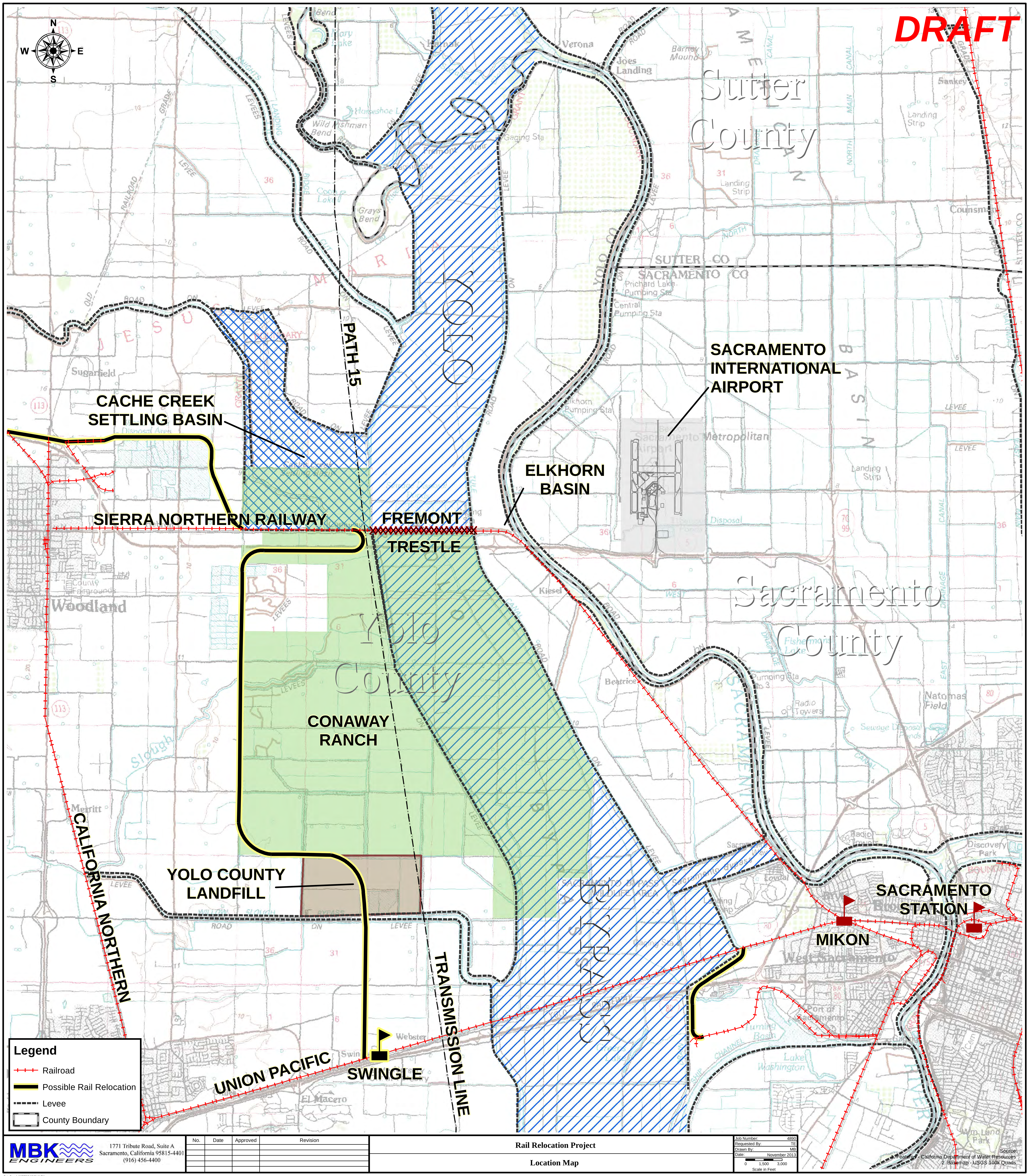
Staff recommends that City Council receive this update on the status of the Yolo Rail Realignment efforts.

Prepared by: Wendy Ross, Economic Development Manager
Reviewed by: Ken Hiatt, Community Development Director

Paul Navazio, City Manager

Attachment A: *Conceptual Map of Rail Realignment Project (from 2009 study)*

Rail Relocation Project Map



300 First Street
Woodland, CA 95695

Legislation Details (With Text)

File #:	14-099 Version: 1	Name:	
Type:	Report of the City Manager	Status:	Agenda Ready
File created:	3/11/2014	In control:	City Council
On agenda:	3/18/2014	Final action:	

Title: SUBJECT: Refunding of Woodland Finance Authority Lease Revenue Bonds (2005 Capital Projects)

Recommendation for Action: Staff recommends that the City Council approve Resolution No. _____ approving the forms of and authorizing the execution and delivery of a Site Lease, a Lease/Purchase Agreement, an Escrow Agreement, and a Placement Agent Agreement, and authorizing certain additional actions.

Sponsors:

Indexes:

Code sections:

Attachments: Woodland City Council Resolution Refunding of 2005 Lease Revenue Bonds
Woodland Site Lease Refunding of 2005 Lease Revenue Bonds
Woodland Lease Purchase Agreement - Refunding of 2005 LRBs
City of Woodland Escrow Agreement 2014 Lease Refunding
Woodland Placement Agent Agreement
Private Placement Bank Responses Woodland 2005 Lease
Detailed Debt Service and Savings Analysis

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014

SUBJECT: Refunding of Woodland Finance Authority Lease Revenue Bonds (2005 Capital Projects)

Recommendation for Action : Staff recommends that the City Council approve Resolution No. _____ approving the forms of and authorizing the execution and delivery of a Site Lease, a Lease/Purchase Agreement, an Escrow Agreement, and a Placement Agent Agreement, and authorizing certain additional actions.

Staff Contact

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

Council Goal
Fiscal Stability

Fiscal Impact

The current 2005 Lease Revenue Bonds are technically an obligation of the City's General Fund, but the internal source of repayment is intended to be development impact fees. Because collection of impact fees has been insufficient to meet the debt service requirements, Measure E funds of up to $2 million annually are being loaned to the Park Development Fund to assist with such payments.

The proposed refunding is anticipated to result in a savings of just under $1.2 million in total debt service over the term of the bonds, and equates to an average annual debt service savings of almost $100,000.

Background

The Woodland Finance Authority (the "Authority") issued the following bonds in 2005 (the "2005 Bonds"):

$20,390,000 Woodland Finance Authority
Lease Revenue Bonds
(2005 Capital Projects)

The 2005 Bonds were issued to fund various capital projects including the Community/Senior Center and Sports Complex, and relocation of Fire Station No. 1.

The 2005 Bonds were sold as lease revenue bonds with a backstop of the City's General Fund. The internal sources of repayment are Major Public Facilities Program ("MPFP") fees from the parks and fire protection facilities. The leased assets were:

(1) Police Station
(2) Fire Station No. 1 and Fire Training Center
(3) Municipal Service Center ("MSC")

Discussion

Finance staff, the City's Financial Advisor along with the Placement Agent approached several commercial banks about a private placement refunding of the 2005 Bonds. The best opportunity was provided by Capital One at 3.00%. JP Morgan Chase had the possibility of a slightly lower rate but Capital One offered to lock the interest rate at 3.00% as long as the transaction closes prior to April 1. This rate lock is important to eliminate any market interest rate risk between approval and closing. In addition, due to the continued market rally to lower interest rates, Capital One offered to lower the rate even further to 2.90% and continue the rate lock until April 1. The schedule, should the City Council approve the refunding, would be to work with Capital One to fill in credit blanks and finalize all documents with the closing currently set for March 27.

Estimated Refunding Results:

Outstanding Amount:	$14,715,000	
Refunding Amount:	$15,510,000	(Estimate)
Total Cash Flow Savings:	$1,190,801	(Including All Costs)
Average Annual Savings:	$99,233	(Including All Costs)
Net Present Value Savings:	$903,496	(Including All Costs)

Net Present Value Savings %:	6.140% [1]	(Prior Bonds)
Net Present Value Savings %:	5.825% [1]	(Refunding Bonds)
Average Interest Rate (Prior):	4.76%	
Average Interest Rate (New):	2.90% [2]	
Final Maturity (Prior):	3/1/2026	
Final Maturity (New):	3/1/2026	(No Extension)
Call Date:	3/1/2015 @ 100%	

(1) Net present value savings in excess of 3.00% of the prior bonds are generally considered significant.
(2) Interest rates are subject to change with market conditions but at 2.90% or lower until April 1, 2014.

If approved, the financing team consists of:

Lender:	Capital One
Placement Agent:	Southwest Securities, Inc.
Bond Counsel:	Kronick, Moskovitz, Tiedemann & Girard
Financial Advisor:	Del Rio Advisors, LLC
Escrow Agent:	U.S. Bank National Association, N.A.

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

- Resolution
- Site Lease: From the City to Capital One Public Finance
- Lease/Purchase Agreement: From Capital One Public Finance to the City
- Escrow Agreement: Governing the advance refunding escrow (used to pay off the prior bonds)
- Placement Agreement: Between the City and Southwest Securities, Inc. as Placement Agent

Conclusion

Staff recommends that the City Council approve Resolution No. _____ approving the forms of and authorizing the execution and delivery of a Site Lease, a Lease/Purchase Agreement, an Escrow Agreement, and a Placement Agent Agreement, and authorizing certain additional actions.

Prepared by: Kim McKinney, Finance Officer

Paul Navazio, City Manager

Enclosures:
Resolution No. ______
Site Lease: From the City to Capital One Public Finance
Lease/Purchase Agreement: From Capital One Public Finance to the City
Escrow Agreement: Governing the advance refunding escrow (pay off of prior bonds)

Private Placement Agreement: Between the City and Southwest Securities Inc., Placement Agent
List of Commercial Banks Responding on the Credit
Detailed Savings Analysis

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SITE LEASE, A LEASE/PURCHASE AGREEMENT, AN ESCROW AGREEMENT, AND A PLACEMENT AGENT AGREEMENT, AND AUTHORIZING CERTAIN ADDITIONAL ACTIONS

WHEREAS, the City of Woodland (the "City"), a municipal corporation duly organized and existing under and pursuant to the Constitution and laws of the State of California, is authorized to purchase, lease, control, dispose of, and convey real property for the benefit of the City;

WHEREAS, the Woodland Finance Authority (the "Authority") previously issued $20,390,000 principal amount of its Lease Revenue Bonds (2005 Capital Projects) (the "Bonds"), to finance the acquisition and construction of certain capital improvements for the City;

WHEREAS, the City entered into a Facilities Lease with the Authority, under which the City is obligated to make rental payments sufficient to pay debt service on the Bonds;

WHEREAS, the City wishes to prepay its obligations under the Facilities Lease and thereby refund the Bonds;

WHEREAS, pursuant to the request of the City, Capital One Public Funding, LLC (the "Lender") will assist the City in the refinancing;

WHEREAS, such refinancing will be accomplished by (i) the City's leasing property (the "Leased Property") to the Lender pursuant to a site lease (the "Site Lease") in exchange for an advance rental, (ii) the Lender's leasing the Leased Property back to the City pursuant to a leaseback agreement (the "Lease/Purchase Agreement"), under which the City will be obligated to make Rental Payments (as such term is defined in the Lease/Purchase Agreement) to the Lender; and (iii) the deposit of a portion of the advance rental into an escrow established under an escrow agreement (the "Escrow Agreement") that will be used to prepay the Facilities Lease and refund the Bonds and the application of the balance of the advance rental to pay transaction costs;

WHEREAS, the District desires to engage Southwest Securities, Inc. as the exclusive placement agent for the Lease/Purchase Agreement pursuant to a placement agent agreement (the "Placement Agent Agreement");

WHEREAS, the City Council finds that the authorization, approval, execution, and delivery of the agreements described above or contemplated thereby or incidental thereto are desirable and in the best interests of the City;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WOODLAND DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Recitals. This City Council finds and determines that all of the above recitals are true and correct.

Section 2. Authorization of Officers to Execute and Deliver Documents. This City Council hereby approves the Site Lease, the Lease/Purchase Agreement, the Escrow Agreement, and the Placement Agent Agreement in substantially the forms on file with the City Clerk and authorizes and directs the Mayor, the City Manager, the Finance Officer, and the City Clerk and their designees (the “Designated Officers”), and each of them individually, for and in the name of and on behalf of the City, to execute and deliver the Site Lease, the Lease/Purchase Agreement, the Escrow Agreement, and the Placement Agent Agreement in such forms with such changes, insertions, revisions, corrections, or amendments as shall be approved by the Designated Officer or Officers executing them; provided that the net present value savings generated by refunding the Bonds shall be at least 3% of the par amount of the Bonds being refunded. 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 such agreements.

Section 3. Retention of Financial Advisor and Bond Counsel. Del Rio Advisors, LLC, is hereby appointed financial advisor to the City for the refinancing. Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, is hereby appointed bond counsel to the City for the refinancing.

Section 4. General Authorization. The Designated Officers and other officers of the City Council and the City, and each of them individually, are hereby authorized and directed, for and in the name of and on behalf of the City, to execute and deliver any and all documents, to do any and all things and take any and all actions that may be necessary or advisable, in their discretion, in order to consummate the refinancing and to effect the purposes of this resolution. All actions heretofore taken by officers, employees, and agents of the City that are in conformity with the purposes and intent of this resolution are hereby approved, confirmed, and ratified.

Section 5. Effective Date. This resolution shall take effect immediately upon its adoption.

APPROVED, PASSED, AND ADOPTED on March 18, 2014, by the City Council of the City of Woodland by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Marlin H. Davies, Mayor

ATTEST:

____
Ana Gonzalez, City Clerk

DRAFT

RECORDING REQUESTED BY:
Kronick, Moskovitz, Tiedemann & Girard
for the benefit of the City of Woodland

WHEN RECORDED RETURN TO:
Kronick, Moskovitz, Tiedemann & Girard
A Professional Corporation
400 Capitol Mall, 27th Floor
Sacramento, California 95814
Attention: Deborah Fields, Public Finance

This document is recorded for the benefit of the City of Woodland and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to Section 11928 of the California Revenue and Taxation Code.

SITE LEASE

between the

CITY OF WOODLAND

and the

CAPITAL ONE PUBLIC FUNDING, LLC

Dated March 1, 2014

Refunding of Woodland Finance Authority
Lease Revenue Bonds
(2005 Capital Projects)

SITE LEASE

This Site Lease, dated March 1, 2014 (this "Site Lease"), between the City of Woodland, a municipal corporation duly organized and validly existing under and pursuant to the Constitution and laws of the State of California (the "City"), as lessor, and Capital One Public Funding, LLC (the "Lender"), a limited liability company duly organized and existing under the laws of the State of New York, as lessee;

W I T N E S S E T H:

WHEREAS, the Woodland Finance Authority (the "Authority") previously issued $20,390,000 principal amount of its Lease Revenue Bonds (2005 Capital Projects) (the "Bonds"), to finance the acquisition and construction of certain capital improvements for the City;

WHEREAS, the City entered into a Facilities Lease with the Authority, under which the City is obligated to make rental payments sufficient to pay debt service on the Bonds;

WHEREAS, the City wishes to prepay its obligations under the Facilities Lease and thereby refund the Bonds;

WHEREAS, pursuant to the request of the City, the Lender intends to assist the City in refunding the Bonds;

WHEREAS, such refinancing will be accomplished by (i) the City's leasing real property to the Lender pursuant to this Site Lease, in exchange for an advance rental, (ii) the Lender's leasing the real property back to the City pursuant to a lease/purchase agreement dated March 1, 2014 (the "Lease/Purchase Agreement"), recorded concurrently herewith, under which the City will be obligated to make Rental Payments (as such term is defined in the Lease/Purchase Agreement) to the Lender; and (iii) the deposit of a portion of the advance rental into an escrow established under an escrow agreement (the "Escrow Agreement") that will be used to prepay the Facilities Lease and refund the Bonds and the application of the balance of the advance rental to pay transaction costs;

NOW THEREFORE, IT IS HEREBY MUTUALLY AGREED as follows:

Section 1. Leased Property. The City hereby leases to the Lender, and the Lender hereby hires from the City, on the terms and conditions hereinafter set forth, the real property located in the County of Yolo, State of California, described in ***Exhibit A*** attached hereto and made a part hereof and the improvements located thereon (the "Leased Property").

Section 2. Term. The term of this Site Lease shall commence on the Funding Date, as that term is defined in the Lease/Purchase Agreement, and shall end on March 1, 2026, unless such term is extended or sooner terminated as hereinafter provided. If the term of the Lease/Purchase Agreement is extended, the term of this Site Lease shall be extended commensurately. If the City has paid and performed in full all of its obligations under the Lease/Purchase Agreement, the term of this Site Lease shall end.

Section 3. Rental. As and for advance rental hereunder for the entire term hereof, the Lender shall transfer to or for the account of the City the sum of ______________________________ dollars ($________), on or before the date of commencement of the term of this Site Lease. The Lender hereby waives any right that it may have under the laws of the State of California to a rebate of such rental in full or in part in the event there is substantial interference with the use and right to possession by the Lender of the Leased Property or portion thereof as a result of material damage, destruction, or condemnation.

Section 4. Application of Rental. The funds representing the advance rental hereunder shall be deposited and/or applied as follows:

(a) the amount of $___________ shall be deposited into the Escrow Fund established under the Escrow Agreement dated as of March 1, 2014, between the City and U.S. Bank National Association, as Escrow Agent, and applied to the redemption of the Bonds; and

(b) the amount of $___________ shall be used by the City to pay transaction costs.

Section 5. Purpose. The Lender shall use the Leased Property solely for the purpose of leasing the Leased Property to the City pursuant to the Lease/Purchase Agreement and for such purposes as may be incidental thereto; provided that in the event of default by the City under the Lease/Purchase Agreement the Lender may exercise the remedies provided in the Lease/Purchase Agreement.

Section 6. Owner in Fee. The City covenants that it is the owner in fee of the Leased Property described on ***Exhibit A***.

Section 7. Assignment and Subleases. The Lender may not assign its rights under this Site Lease, except pursuant to the Lease/Purchase Agreement, or sublet the Leased Property, without the written consent of the City for so long as the term of this Site Lease.

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

Section 9. Surrender of Possession. The Lender agrees, upon the termination of this Site Lease, to quit and surrender the Leased Property to the City, without warranty as to condition.

Section 10. Default. If the Lender defaults in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for thirty (30) days following notice and demand for correction thereof to the Lender, the City may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Lease/Purchase Agreement shall be deemed to occur as a result thereof; provided, however, that the City shall have no power to terminate this Site Lease by reason of any default on the part of the Lender if such termination would affect or impair any assignment or sublease of all or any part of the Leased Property then in effect between the Lender and any assignee or subtenant of the Lender (other than the City under the Lease/Purchase Agreement). So long as any such assignee or subtenant of the Lender shall duly perform the terms and conditions of this Site Lease and of its then existing sublease (if any), such assignee or subtenant shall be deemed to be and shall become the tenant of the City hereunder and shall be entitled to all of the rights and privileges granted under any such assignment.

Section 11. Quiet Enjoyment. The Lender at all times during the term of this Site Lease, subject to the provisions of Section 10 hereof, shall peaceably and quietly have, hold and enjoy all of the Leased Property.

Section 12. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Lender shall be solely liabilities of the Lender as a limited liability company, and the City hereby releases each and every incorporator, director and officer of the Lender of and from any personal or individual liability under this Site Lease unless such person acted outside of the scope of his or her duties. No incorporator, director or officer of the Lender shall at any time or under any circumstances be individually or personally liable under this Site Lease to the City or to any other party whomsoever for anything done or omitted to be done by the Lender hereunder.

Section 13. Taxes. The City covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Leased Property (including both land and improvements).

Section 14. Eminent Domain. In the event the whole or any part of the improvements on the Leased Property is taken by eminent domain proceedings the effect of such taking hereunder shall be in accord with the provisions of the Lease/Purchase Agreement relating thereto.

Section 15. Partial Invalidity. If any one or more of the terms, provisions, covenants, or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provision, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 16. Notices. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and mailed by United States registered or certified mail, return receipt requested, postage prepaid, and, if to the City, addressed to the City as follows:

City: City of Woodland
300 First Street
Woodland, California 95695
Attention: Financial Officer

or, if to the Lender, addressed to the Lender as follows:

Lender: Capital One Public Funding, LLC
275 Broadhollow Road
Melville, NY 11747
Attention: President

or to such other addresses as the respective parties may from time to time designate by notice in writing.

Section 17. Section Headings. All section headings contained herein are for convenience or reference only and are not intended to define or limit the scope of any provision of this Site Lease.

Section 18. Execution in Counterparts. This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same lease. It is also agreed that separate counterparts of this Site Lease may separately be executed by the City and the Lender, all with the same force and effect as though the same counterpart had been executed by both the City and the Lender.

Section 19. Governing Law. This Site Lease shall be governed by and construed in accordance with the laws of the State of California.

[Signature page follows]

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

CITY OF WOODLAND, Lessor

By: ______________________________________
[name/title]

CAPITAL ONE PUBLIC FUNDING, LLC, Lessee

By: ______________________________________
Andrew J. Scrivener, Senior Vice President

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF ____________________)

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

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

WITNESS my hand and official seal.

____
Notary Public (Notary Seal)

Insert NEW YORK Notary acknowledgement form for Lender

EXHIBIT A

LEGAL DESCRIPTION OF LEASED PROPERTY

THAT CERTAIN REAL PROPERTY SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF YOLO, CITY OF WOODLAND, DESCRIBED AS FOLLOWS:

PARCEL ONE:

THE WEST 135 FEET OF LOT 3, BLOCK 2, FISKE AND MESSINGER'S ADDITION TO WOODLAND, RECORDED IN BOOK "F" OF DEEDS, PAGE 468, YOLO COUNTY RECORDS.

EXCEPTING THEREFROM, A STRIP OF LAND 20 FEET WIDE CONVEYED BY C. P. SPRAGUE AND JOHN HOLLINGSWORTH, ET AL., TO CALIFORNIA PACIFIC RAILROAD COMPANY, A CORPORATION, BY DEED RECORDED MAY 28, 1874, IN BOOK "Q" OF DEEDS, PAGE 449.

EXCEPTING THEREFROM, THAT PORTION THEREOF LYING BELOW A DEPTH OF 500 FEET MEASURED VERTICALLY FROM THE CONTOUR OF THE SURFACE THEREOF, AS EXCEPTED IN THE DEED EXECUTED BY KENNETH E. BROWN, ET AL., RECORDED JUNE 17, 1983, IN BOOK 1586 OF OFFICIAL RECORDS, PAGE 508.

PARCEL TWO:

COMMENCING AT THE NORTHEAST CORNER OF LOT 2, BLOCK 2, FISKE AND MESSINGER'S ADDITION TO WOODLAND, RECORDED IN BOOK "F" OF DEEDS, PAGE 468; RUNNING THENCE SOUTH 510 FEET, MORE OR LESS, TO THE NORTH LINE OF OAK AVENUE; THENCE WEST ALONG SAID NORTH LINE OF OAK AVENUE, 135 FEET; THENCE NORTH 510 FEET, MORE OR LESS, TO THE SOUTH LINE OF LINCOLN AVENUE; THENCE EAST ALONG THE SOUTH LINE OF LINCOLN AVENUE, 135 FEET, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM, THAT PORTION THEREOF LYING BELOW A DEPTH OF 500 FEET MEASURED VERTICALLY FROM THE CONTOUR OF THE SURFACE THEREOF, AS EXCEPTED IN THE DEED EXECUTED BY KENNETH E. BROWN, ET AL., RECORDED JUNE 17,1983, IN BOOK 1586 OF OFFICIAL RECORDS, PAGE 508.

PARCEL THREE:

A STRIP OF LAND 20.00 FEET IN WIDTH, BEING A PORTION OF THE LAND DESCRIBED IN INDENTURE FROM GEORGE D. FISKE, ET AL., TO CALIFORNIA PACIFIC RAILROAD COMPANY, RECORDED MAY 28, 1874, IN BOOK "Q" OF DEEDS, PAGE 449, AND LYING EQUALLY 10.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTER LINE:

BEGINNING AT A POINT IN THE NORTH LINE OF OAK AVENUE, 80.00 FEET WIDE, DISTANT WEST 55.00 FEET, MEASURED ALONG SAID NORTH LINE, FROM THE WEST

LINE OF SIXTH STREET, 60 FEET WIDE; THENCE NORTH, PARALLEL WITH SAID WEST LINE, 510.00 FEET TO THE SOUTH LINE OF LINCOLN AVENUE, 80.00 FEET WIDE.

THE SIDE LINES OF THE ABOVE DESCRIBED 20-FOOT WIDE STRIP OF LAND TERMINATE IN SAID NORTH AND SOUTH LINES.

EXCEPTING THEREFROM, THAT PORTION OF SAID PROPERTY LYING BELOW A DEPTH OF 500 FEET MEASURED VERTICALLY FROM THE CONTOUR OF THE SURFACE THEREOF, AS EXCEPTED IN THE DEED EXECUTED BY SOUTHERN PACIFIC COMPANY, RECORDED SEPTEMBER 2,1969, IN BOOK 920 OF OFFICIAL RECORDS, PAGE 292.

[Parcels One, Two and Three together are commonly known as the Woodland Police Station, 1000 Lincoln Avenue, Woodland, California 95695-4100.]

PARCEL FOUR:

PARCEL 2, PARCEL MAP NO. 2190, FILED AUGUST 4,1972, IN BOOK 1 OF PARCEL MAPS, PAGE 56, YOLO COUNTY RECORDS.

[Parcel Four is commonly known as Fire Station #3, 1550 Spring Lake Court, Woodland, California 95776-4906.]

PARCEL FIVE:

PARCEL 1, PARCEL MAP NO. 3647, FILED JULY 8,1988, IN BOOK 9 OF PARCEL MAPS, PAGE 12, YOLO COUNTY RECORDS.

EXCEPTING THEREFROM, ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES LYING IN, ON OR UNDER SAID PROPERTY, WITHOUT THE RIGHT OF SURFACE ENTRY, AS RESERVED IN THE DEED EXECUTED BY FORREST EMIL STORZ AND EMIL KURT STORZ, RECORDED SEPTEMBER 20, 1984, IN BOOK 1666 OF OFFICIAL RECORDS, PAGE 751.

ALSO EXCEPTING THEREFROM, THE PARCEL OF LAND DESCRIBED IN THE DEED TO OLIVO R. SONORA AND CARMEN A. SONORA, RECORDED SEPTEMBER 11, 2002, INSTRUMENT NO. 37879.

[Parcel Five is commonly known as the Municipal Services Center, 655 N. Pioneer Avenue, Woodland, California 95776-6112.]

REQUESTED BY:
Kronick, Moskovitz, Tiedemann & Girard
for the benefit of the City of Woodland

WHEN RECORDED RETURN TO:
Kronick, Moskovitz, Tiedemann & Girard,
A Professional Corporation
400 Capitol Mall, 27th Floor
Sacramento, CA 95814-4417
Attn: Deborah Fields, Public Finance

The term of this lease is less than 35 years.

This document is recorded for the benefit of the City of Woodland and recording is exempt from recording fees pursuant to California Government Code section 27383. This transaction is exempt from California documentary transfer tax pursuant to Section 11922 of the California Revenue and Taxation Code.

LEASE/PURCHASE AGREEMENT

between

CAPITAL ONE PUBLIC FUNDING, LLC

and the

CITY OF WOODLAND

Dated March 1, 2014

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LEASE/PURCHASE AGREEMENT

This Lease/Purchase Agreement dated March 1, 2014 (this "Lease/Purchase Agreement"), and entered into between Capital One Public Funding, LLC (the "Lender"), a limited liability company duly organized and existing under the laws of the State of New York, as lessor, and the City of Woodland (the "City"), a municipal corporation duly organized and validly existing under and by virtue of the laws of the State of California, as lessee.

W I T N E S S E T H:

WHEREAS, the Government Code of the State of California authorizes the City to provide for the refinancing of facilities for the use of the City;

WHEREAS, the Woodland Finance Authority (the "Authority") previously issued $20,390,000 principal amount of its Lease Revenue Bonds (2005 Capital Projects) (the "Bonds"), to finance the acquisition and construction of certain capital improvements for the City;

WHEREAS, the City entered into a Facilities Lease with the Authority, under which the City is obligated to make rental payments sufficient to pay debt service on the Bonds;

WHEREAS, the City wishes to prepay its obligations under the Facilities Lease and thereby refund the Bonds;

WHEREAS, pursuant to the request of the City, the Lender intends to assist the City in refunding the Bonds;

WHEREAS, such refinancing will be accomplished by (i) the City's leasing property (the "Leased Property") to the Lender pursuant to a site lease dated March 1, 2014 (the "Site Lease"), recorded concurrently herewith, in exchange for an advance rental, (ii) the Lender's leasing the Leased Property back to the City pursuant to this Lease/Purchase Agreement, under which the City will be obligated to make Rental Payments (as such term is defined herein) to the Lender; and (iii) the deposit of a portion of the advance rental into an escrow established under an escrow agreement (the "Escrow Agreement") that will be used to prepay the Facilities Lease and refund the Bonds and the application of the balance of the advance rental to pay transaction costs;

WHEREAS, the City is authorized to enter into this Lease/Purchase Agreement for the purposes and subject to the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereby agree as follows:

ARTICLE 1.
DEFINITIONS; OTHER PROVISIONS OF GENERAL APPLICABILITY

Section 1.1. Definitions. For all purposes of this Lease/Purchase 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 Lease/Purchase Agreement as originally executed.

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

(F) Words of any gender shall mean and include words of all other genders.

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

(1) the existence, cleanup, and/or remedy of contamination on property;

(2) the protection of the environment from spilled, deposited, or otherwise emplaced contamination;

(3) the control of hazardous wastes; or

(4) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.

Business Day means any day other than a Saturday, Sunday, or a day on which banking institutions in the State of California are authorized or obligated by law or executive order to be closed.

City means the City of Woodland.

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

Effective Interest Rate means the rate of interest per annum specified on Exhibit B.

Event of Default means any of the events specified in Section 7.1 (Events of Default).

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.

Funding Date means the date payment is made by the Lender to or for the account of the City under the Site Lease.

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

Insurance Consultant means any independent person having experience in consulting on the insurance requirements of governmental entities of the general size and character of the City, selected by the City.

Leased Property means the real property described in Exhibit A attached to this Lease/Purchase Agreement together with all present and future improvements located thereon and furniture installed or located therein.

Lease/Purchase Agreement means this Lease/Purchase Agreement by and between the Lender and the City, dated March 1, 2014, as originally executed and as it may from time to time be supplemented, modified, or amended pursuant to the provisions hereof.

Lender means Capital One Public Funding, LLC, or its successors or assigns.

Net Proceeds means the amount remaining from the gross proceeds of any insurance claim or condemnation award made in connection with the Leased Property, after deducting all expenses (including attorneys' fees) incurred in the collection of such claim or award.

Payment Date means March 1 and September 1 in each year, commencing September 1, 2014.

Permitted Encumbrances means (1) liens for general ad valorem taxes and assessment, if any, not then delinquent, or that the City may, pursuant to this Lease/Purchase Agreement, permit to remain unpaid, (2) easements, rights of way, mineral rights, drilling rights, and other rights, reservations, covenants, conditions, or restrictions that exist of record as of the date of recordation of this Lease/Purchase Agreement and that the City certifies in writing will not materially impair the use of the Leased Property, (3) the Site Lease and this lease/Purchase Agreement, as they may be amended from time to time, (4) any right or claim of any mechanic, laborer, materialman, supplier, or vendor not filed or perfected in the manner prescribed by law, (5) easements, rights of way, mineral rights, drilling rights, and other rights, reservations, covenants, conditions, or restrictions established following the date of recordation of this Lease/Purchase Agreement and to which the Lender consents in writing, and (6) liens relating to special assessments levied with respect to the Leased Property.

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.

Rental Payments means the Rental Payments payable by the City pursuant to the provisions of this Lease/Purchase Agreement.

Site Lease means the Site Lease by and between the City and the Lender, dated March 1, 2014, as originally executed and as it may from time to time be supplemented, modified, or amended.

Statement, **Certificate**, **Request**, **Requisition**, and **Order of the City** mean, respectively, a written statement, certificate, request, requisition, or order signed in the name of the City by the City Manager or the Chief Financial Officer of the City, their designees, or any other person authorized by the City 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.

Tax Certificate means the tax certificate delivered by the City at the time of the execution and delivery of this Lease/Purchase Agreement, as the same may be further amended or supplemented in accordance with its terms.

Section 1.2. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to:

City: City of Woodland
300 First Street
Woodland, CA 95695
Attention: Financial Officer

Lender Capital One Public Funding, LLC
275 Broadhollow Road
Melville, NY 11747
Attention: Jonathan A. Lewis, President

The City and the Lender may, by notice given hereunder, designate any further or different address to which subsequent notices shall be sent.

Section 1.3. Successors and Assigns. Whenever in this Lease/Purchase Agreement either the City or the Lender 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 Lease/Purchase Agreement contained by, on behalf of, or for the benefit of the City or the Lender shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 1.4. Benefits of Agreement. Nothing in this Lease/Purchase Agreement expressed or implied is intended or shall be construed to give to any person other than the City and the Lender any legal or equitable right, remedy, or claim under or in respect of this Lease/Purchase 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 and the Lender.

Section 1.5. Amendments. This Lease/Purchase Agreement may be altered, amended, or modified in writing as may be mutually agreed by the Lender and the City, subject to the prior written approval of the Lender.

Section 1.6. 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 Lease/Purchase Agreement.

Section 1.7. Validity and Severability. If any one or more of the provisions contained in this Lease/Purchase Agreement 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 Lease/Purchase Agreement and such invalidity, illegality, or unenforceability shall not affect any other provision of this Lease/Purchase Agreement, and this Lease/Purchase Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The City and the Lender hereby declare that they would have adopted this Lease/Purchase Agreement and each and every other Section, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Lease/Purchase Agreement may be held illegal, invalid, or unenforceable.

If for any reason it is held that any of the covenants and conditions of the City hereunder, including the covenant to pay rentals hereunder, is unenforceable for the full term hereof, then and in such event this Lease/Purchase Agreement is and shall be deemed to be a lease from year to year under which the rentals are to be paid by the City annually in consideration of the right of the City to possess, occupy, and use the Leased Property, and all of the rental and other terms, provisions, and conditions of this Lease/Purchase Agreement, except to the extent that such terms, provisions, and conditions are contrary to or inconsistent with such holding, shall remain in full force and effect.

Section 1.8. Governing Law. This Lease/Purchase Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 1.9. Execution in Counterparts. This Lease/Purchase Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

ARTICLE 2.
REPRESENTATIONS OF LENDER AND CITY

Section 2.1. Representations of Lender. The Lender represents and covenants for the benefit of the City and its assignees as follows:

(A) Valid Existence. The Lender has been duly organized and is validly existing as a limited liability company under the laws of the State of New York.

(B) Power to Enter into Agreements. The Lender is authorized under the terms of its articles of incorporation to enter into the Site Lease and this Lease/Purchase Agreement and perform all of its obligations thereunder and hereunder.

(C) Due Authorization. The Site Lease and this Lease/Purchase Agreement have been duly authorized by all necessary action on the part of the Lender.

(D) Enforceability of Agreements. The Lender represents, covenants, and warrants that the Site Lease and this Lease/Purchase Agreement are valid and binding obligations of the Lender, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights generally and by the application of equitable principles.

Section 2.2. Representations of City. The City hereby represents to the Lender as follows:

(A) Valid Existence. The City has been duly organized and is validly existing as a municipal corporation under the laws of the State of California.

(B) Power to Enter into Agreements. The City is authorized under the California Government Code to enter into the Site Lease and this Lease/Purchase Agreement and perform all of its obligations thereunder and hereunder.

(C) Due Authorization. The Site Lease and this Lease/Purchase Agreement have been duly authorized by all necessary action on the part of the City.

(D) Enforceability of Agreements. The City represents, covenants, and warrants that the Site Lease and this Lease/Purchase Agreement are valid and binding obligations of the City, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by the application of equitable principles.

(E) No Violation of Law or Breach of Contract. The execution and delivery of the Site Lease and this Lease/Purchase Agreement and compliance with the provisions thereof and hereof will not (i) violate any applicable provision of statutory law or regulation, (ii) breach or otherwise violate any existing obligation of the City under any court order or administrative decree to which the City is subject, or (iii) breach, or result in a default under, any loan agreement, note, resolution, indenture, contract, agreement, or other instrument to which the City is a party or is otherwise subject or bound.

(F) No Adverse Litigation. No litigation is pending before any court or administrative agency or, to the knowledge of the City, threatened in writing against the City (i) regarding the Leased Property or the City's use of the Leased Property for the purposes contemplated by the Site Lease or the Lease/Purchase Agreement or (ii) that will materially adversely affect the ability of the City to perform its obligations under the Site Lease and this Lease/Purchase Agreement.

(G) No Defaults. At no time in the last ten (10) years has the City failed to appropriate funds for or defaulted under any of its payment or performance obligations or covenants, either under any financing lease of the same general nature as this Lease/Purchase Agreement, or under any of its bonds, notes, or other debt obligations.

(H) Fee Title; Encumbrances. The City is the owner in fee of title to the Leased Property. No lien or encumbrance on the Leased Property materially impairs the City's use of the Leased Property for the purposes for which it is, or may reasonably be expected to be, held. The Site Lease and this Lease/Purchase Agreement are the only leases that encumber the Leased Property.

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

(J) Essential Facilities. The City hereby represents that the facilities located on the Leased Property are essential governmental facilities.

(K) Current Compliance. The City is in all material respects in compliance with all laws, regulations, ordinances, and orders of public authorities applicable to the Leased Property.

(L) Hazardous Substances. To the best of the City's knowledge, the Leased Property is free of all Hazardous Substances that would impair the City's use of the Leased Property for the purposes for which it is, or may reasonably be expected to be, held or that will materially adversely affect the ability of the City to perform its obligations under the Site Lease and this Lease/Purchase Agreement.

(M) Flooding Risk. To the best of the City's knowledge, the Leased Property is not located in a "Special Flood Hazard Area'" shown on a Flood Hazard Boundary Map or a Flood Insurance Rate Map used in connection with the National Flood Insurance Program and has not been subject to material damage from flooding within the last ten (10) years.

(N) Insured Value of Leased Property. The insured value of the Leased Property is $__________.

(O) Useful Life. The Leased Property has a useful life that extends to at least March 1, 2036.

(P) Financial Condition. The financial statements of the City for the year ended June 30, 2012, supplied to the Lender (i) were prepared in accordance with generally accepted accounting principles, consistently applied, and (ii) fairly present the City's financial condition as of the date of the statements. There has been no material adverse change in the City's financial condition subsequent to June 30, 2012.

(Q) Role of the Lender. The City acknowledges that: (a) the Lender has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Lender has provided other services or is currently providing other services to the City on other matters); (b) the Lender is acting solely as lessee under the Site Lease and lessor under this Lease/Purchase Agreement for its own account and not as a fiduciary for the City or in the capacity of financial advisor or placement agent with respect to the Lease/Purchase Agreement or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor; (c) the Lender has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of the City (including to any financial advisor or placement agent engaged by the City) with respect to this lease financing transaction ; (d) each of the City, its financial advisor, and its placement agent (if any) will seek and obtain financial, legal (including securities law), tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters and compliance with legal requirements applicable to such parties) with respect to the lease financing transaction from its financial, legal, and other advisors (and not the Lender) to the extent that the City, its financial advisor or its placement agent (if any) desires, should, or needs to obtain such advice. The City acknowledges that the Lender has expressed no view regarding the legal sufficiency of its representations for purposes of compliance with any legal requirements applicable to any other party, including but not limited to the City's financial advisor or placement agent (if any), or the correctness of any legal interpretation made by counsel to any other party, including but not limited to counsel to the City's financial advisor or placement agent, with respect to any such matters.

ARTICLE 3.
LEASE OF LEASED PROPERTY

Section 3.1. Lease of Leased Property. The Lender hereby demises and leases to the City, and the City hereby rents and hires from the Lender, the Leased Property in accordance with the provisions of this Lease/Purchase Agreement, to have and to hold for the term of this Lease/Purchase Agreement.

Section 3.2. No Merger of Estates. The leasing by the Lender to the City of the Leased Property pursuant to this Lease/Purchase Agreement shall not effect or result in a merger of the City's leasehold estate pursuant hereto and its fee estate. The Lender shall continue to have and hold a leasehold estate in the Leased Property pursuant to the Site Lease throughout the term thereof and the term of this Lease/Purchase Agreement. As to the Leased Property, this Lease/Purchase Agreement shall be deemed and constitute a sublease.

Section 3.3. Lease Term; Occupancy.

(A) Term. The term of this Lease/Purchase Agreement shall commence on the Funding Date and shall end on March 1, 2026, unless such term is extended or sooner terminated as hereinafter provided. If on March 1, 2026, the rental payable hereunder shall have been abated at any time and for any reason and not otherwise paid from rental abatement insurance or other sources, or the City shall have defaulted in its payment of rental hereunder or any Event of Default has occurred and continues without cure by the City, then the term of this Lease/Purchase Agreement shall be extended for the actual period of abatement or for so long as the default remains uncured, but not to exceed ten (10) years. When the aggregate rental paid under this Lease/Purchase Agreement equals the total rental originally scheduled herein, and the City has paid and performed in full all of its other obligations under this Lease/Purchase Agreement, the term of this Lease/Purchase Agreement shall end ten (10) days thereafter or ten (10) days after written notice by the City to the Lender, whichever is earlier.

(B) Occupancy. The City will take possession of the Leased Property upon commencement of the term of this Lease/Purchase Agreement.

Section 3.4. Modifications to the Leased Property. Subject to Section 5.5 (Liens) hereof, the City shall, at its own expense, have the right to remodel, make alterations or improvements to, or attach fixtures, structures, or signs to the Leased Property if the alterations, improvements, fixtures, structures, or signs are necessary or beneficial for the use of the Leased Property by the City, provided, however, that such actions by the City shall not materially adversely affect the value of the Leased Property.

Section 3.5. Title to the Leased Property. At all times during the term of this Lease/Purchase Agreement, the City will hold fee title to the Leased Property, subject to the Site Lease. During the term of this Lease/Purchase Agreement, the Lender does and shall hold a leasehold interest in the Leased Property pursuant to the Site Lease. Upon the termination or expiration of the term of this Lease/Purchase Agreement (other than under Section 7.2(A) hereof) or upon payment in full of all Rental Payments, the Lender's leasehold interest in the Leased Property will automatically terminate.

Section 3.6. Actions in the Event of Uninsured Casualty.

(A) Substitution of Property. If the Leased Property is damaged or destroyed owing to a risk (such as earthquake) against which the City is not insured and/or for which rental abatement insurance is not available, the City shall substitute under the Site Lease and this Lease/Purchase Agreement one or more parcels of real property owned by the City, to the extent available, (a) that are subject only to encumbrances that do not materially impair the ability of the City to perform its obligations under the Site Lease and this Lease/Purchase Agreement and (b) the insured value of which is at least one hundred ten percent (110%) of the unpaid principal components of the Rental Payments.

(B) Refinancing. If the City is unable to substitute real property for the Leased Property in the amount required under subsection (A) above, the City may prepay principal components of the Rental Payments (without prepayment penalty) such that the insured value of the undamaged Leased Property is at least one hundred ten percent (110%) of the remaining unpaid principal components of the Rental Payments.

(C) Subordination. If the City is unable to implement (A) above or does not exercise its option under (B) above, the City and the Lender hereby agree that the obligations evidenced by this Lease/Purchase Agreement shall be the senior encumbrance on the Leased Property and any future encumbrance, including without limitation any lease, mortgage, deed of trust or security interest, shall be subordinate to this Lease/Purchase Agreement and there shall be no payments during the the term of this Lease/Purchase Agreement on the obligations evidenced or secured thereby until after each scheduled Rental Payment set forth on Exhibit B hereto has been paid in full.

Section 3.7. Substitution, Addition or Deletion. The City may substitute alternate real property for any real property that constitutes the Leased Property, or add or delete real property that constitutes the Leased Property for purposes of the Site Lease and this Lease/Purchase Agreement, or alter the term of the Site Lease and this Lease/Purchase Agreement as to any portion of the property constituting the Leased Property with the prior written consent of the Lender, which consent shall not be unreasonably withheld. Any substitution, addition, or deletion of real property hereunder shall occur only after the City shall have filed with the Lender all of the following:

(A) Documents. Executed copies of the amended Site Lease and Lease/Purchase Agreement containing the amended description of the Leased Property.

(B) Recording. A Statement of the City certifying that the amended Site Lease and the amended Lease/Purchase Agreement, or memoranda thereof, have been duly recorded in the official records of the County of Yolo.

(C) Insured Value. Evidence showing that the insured value of the property that will constitute the Leased Property after such substitution, addition, deletion, or change of term will be at least equal to 110% of the outstanding principal component of Rental Payments.

(D) Fair Rental Value. A Statement of the City certifying that the property that will constitute the Leased Property after the substitution, addition, deletion, or change of term has a fair rental value, for each Rental Period and in the aggregate, that is at least equal to the remaining Rental Payments for each Rental Period and in the aggregate.

(E) No Prior Liens. A Statement of the City certifying that the property that will constitute the Leased Property after the substitution, addition, deletion, or change of term is not subject to any liens securing monetary obligations (other than Permitted Encumbrances), unless such liens are subordinate to the interest of the Lender created by this Lease/Purchase Agreement.

(F) Essential Leased Property; No Abatement. A Statement of the City certifying that the property that will constitute the Leased Property after the substitution, addition, deletion, or change of term (i) is essential to the fulfillment of the City's governmental purposes and (ii) is not subject to an event giving rise to an abatement of Rental Payments under Section 4.6 (Rental Abatement) hereof.

(G) No Effect on Occupancy; Useful Life. A Statement of the City certifying that such substitution, addition, deletion, or change of term does not adversely affect the City's use and occupancy of the Leased Property and that the Leased Property, as amended, have a useful life extending at least to the date of termination of this Lease/Purchase Agreement.

(H) Opinion of Counsel. An opinion of counsel, in form and substance satisfactory to the Lender, stating that the amendments to the Site Lease and this Lease/Purchase Agreement that implement the substitution, addition, deletion, or change of term (1) are authorized or permitted by and comply with the Constitution and laws of the State of California; (2) upon execution and delivery will be valid, binding, and enforceable obligations of the City; and (3) does not cause, in and of itself, the interest components of the Rental Payments to be includible in gross income for federal income tax purposes and does not cause a reissuance for federal tax purposes.

(I) Environmental Survey. An environmental survey or survey with respect to the substituted real property and other documents that the Lender may reasonably require; provided, however, that, if the environmental studies have recommended that remedial action be taken with respect to the substituted real property so that it will be in compliance with Applicable Environmental Laws, the Lender may refuse to consent to the substitution until such time as the remedial action has been completed and the Lender has received assurances to its satisfaction that the substituted real property is in compliance with such Applicable Environmental Laws.

(J) Other Documents. Such other information, documents, and instruments as the Lender shall reasonably request, including (if requested and at the Lender's expense) an independent appraisal or evidence of the insurable value of the property that will constitute the Leased Property after the substitution, addition, deletion, or change of term indicating that such value is in excess of the then unpaid principal component of the Rental Payments.

Upon the submission to the Lender of the information set forth above following designation of the alternate property, the Lender may initially request additional evidence or other such information from the City regarding the insurable value of the property that will constitute the Leased Property after the substitution, addition, deletion, or change of term, indicating that such value is in excess of the then unpaid principal component of the Rental Payments. The City shall promptly respond to any such request from the Lender for additional information. If further evidence and information is necessary to establish the insurable value of the property, an independent appraisal may be required by the Lender, and in such event, the City will provide such independent appraisal to the Lender upon request at the Lender's expense.

ARTICLE 4.
RENTAL PAYMENTS

Section 4.1. Rental Payments. The City agrees to pay to the Lender, its successor or assigns, as rental for the use of the Leased Property (subject to the provisions of Section 4.6 (Abatement of Rental) hereof) the following amounts, at the following times, in the manner hereinafter set forth:

(A) Amount and Timing. The City shall pay rental payments, comprising principal and interest components, in installments of the amounts and at the times set forth in the Schedule of Rental Payments attached as Exhibit B hereto. The interest components of the Rental Payments shall be paid by the City as and constitute interest paid on the principal components of the Rental Payments.

(B) Extension of Lease Term. If the term of this Lease/Purchase Agreement shall have been extended pursuant to Section 3.3 (Lease Term; Occupancy) hereof because of an abatement of rental, Rental Payments shall continue to be due as described herein. Rental Payment installments shall continue to be payable in installments on March 1 and September 1 in each year, continuing to and including the date of termination of this Lease/Purchase Agreement. Upon such extension of this Lease/Purchase Agreement, the principal and interest components of the Rental Payments shall be established so that the principal components will, in the aggregate, be sufficient to pay all unpaid principal components and the interest components will be sufficient to pay all unpaid interest components plus interest on the extended principal components at the Effective Interest Rate, computed on the basis of a 360-day year composed of twelve 30-day months.

(C) Rental Period. Each payment of Rental Payments shall be for the use of the Leased Property for the six-month period ending on the applicable Payment Date.

(D) Medium and Place of Payment. Each installment of rental payable hereunder shall be paid in lawful money of the United States of America to or upon the order of the Lender.

(E) Rate on Overdue Payments. Any Rental Payment installment that is not paid when due shall bear interest at the rate of twelve percent (12%), or such lesser rate allowed by law, from the date the installment was due hereunder until the same shall be paid.

Section 4.2. Allocation of Rental Payments. All Rental Payments received shall be applied first to the interest components of the Rental Payments due hereunder, then to the principal components of the Rental Payments due hereunder, but no such application of any payments that are less than the total rental due and owing shall be deemed a waiver of any default hereunder.

Section 4.3. No Offsets. Notwithstanding any dispute between the Lender and the City, the City shall make all Rental Payments when due without deduction or offset of any kind and shall not withhold any Rental Payments pending the final resolution of such dispute. If it is determined that the City was not liable for the Rental Payments or any portion thereof, the payments or excess payments, as the case may be, shall, at the option of the City, be credited against subsequent Rental Payments due hereunder or be refunded at the time of such determination.

Section 4.4. Net Lease. This Lease/Purchase Agreement shall be deemed and construed to be a "net-net-net lease" and the City hereby agrees that the Rental Payments shall be an absolute net return to the Lender, free and clear of any expenses, charges, or setoffs whatsoever.

Section 4.5. Covenant to Budget and Appropriate. The City covenants and agrees to take such action as may be necessary to include all Rental Payments due hereunder in its annual budgets and to make the necessary annual appropriations for all such Rental Payments. Annually within thirty (30) days of the adoption of the budget, the City will furnish to the Lender a Certificate of the City certifying that such budget contains the necessary appropriation for all Rental Payments. If requested in writing by the Lender, the City will furnish a copy of such budget.

The agreements and covenants on the part of the City herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the agreements and covenants in this Lease/Purchase Agreement agreed to be carried out and performed by the City.

Section 4.6. Abatement of Rental. Rental Payments shall be abated proportionately during any period in which, by reason of damage to, destruction of, taking under the power of eminent domain (or sale to any entity threatening the use of such power) of, or title defect with respect to any portion of the Leased Property, there is substantial interference with the use and possession of the Leased Property or a portion thereof. The amount of abatement shall be such that the resulting Rental Payments represent fair consideration for the use and possession of the portion of the Leased Property not so interfered with. Such abatement shall commence with the date of such interference and shall end only with cure thereof.

Section 4.7. No Termination Upon Damage or Destruction. The City waives the benefits of Civil Code Sections 1932, subd. 2, and 1933, subd. 4, and any and all other rights to terminate this Lease/Purchase Agreement by virtue of any damage to or destruction of the Leased Property.

Section 4.8. Contributions/Advances. Nothing contained in this Lease/Purchase Agreement shall prevent the City from making contributions or advances to the Lender from time to time for any purpose now or hereafter authorized by law, including the making of repairs to, or the restoration of, the Leased Property in the event of damage to or the destruction of the Leased Property.

Section 4.9. Prepayment. The City may prepay its obligations hereunder in whole on any date or in part on any Payment Date (in a minimum amount of $100,000 and applied to Rental Payments in inverse order of their Payment Dates) by paying to the Lender a prepayment price equal to the following percentage of the unpaid principal components of the Rental Payments to be prepaid:

Prepayment Dates	Prepayment Price
through March 1, 2019	102%
March 2, 2019, and thereafter	100

plus interest on those principal components from the last Payment Date to the date fixed for prepayment at the Effective Interest Rate, computed on the basis of a 360-day year composed of twelve 30-day months, plus the amount of any interest components of the Rental Payments then in default or that were abated and that have not been otherwise paid from rental abatement insurance or other sources or paid during an extension of the term of this Lease/Purchase Agreement. Upon prepayment in whole, the term of this Lease/Purchase Agreement shall terminate.

The City shall, at least thirty (30) days prior to such prepayment, notify the Lender of its intention to prepay its obligations hereunder. The City agrees that, if, following such prepayment, the Leased Property is damaged or destroyed or taken by eminent domain, the City is not entitled to, and by such prepayment waives the right of, abatement of such prepaid Rental Payments and shall not be entitled to any reimbursement of such Rental Payments.

ARTICLE 5.
COVENANTS

Section 5.1. Quiet Enjoyment. The Lender hereby covenants to provide the City during the term of this Lease/Purchase Agreement with quiet use and enjoyment of the Leased Property and the City shall during the term of this Lease/Purchase Agreement peaceably and quietly have, hold, and enjoy the Leased Property without suit, trouble, or hindrance from the Lender, so long as the City observes and performs its covenants and agreements and is not in default hereunder.

Section 5.2. Right of Entry. Upon reasonable notice and in accordance with City policies, the Lender and its assignees shall have the right (but not the duty) to enter the Leased Property during reasonable business hours (and in emergencies at all times) (a) to inspect the same, (b) for any purpose connected with the Lender's or the City's rights or obligations under this Lease/Purchase Agreement, and (c) for all other lawful purposes.

Section 5.3. Maintenance of the Leased Property by City. The City agrees that, at all times during the term of this Lease/Purchase Agreement, the City will, at the City's own cost and expense, maintain, preserve, and keep the Leased Property and every portion thereof in good repair, working order, and condition and that the City will from time to time make or cause to be made all necessary and proper repairs, replacements, and renewals.

Section 5.4. Taxes and Other Governmental Charges; Utility Charges; Contest of Charges.

(A) Taxes and Other Governmental Charges on the Leased Property. The parties to this Lease/Purchase Agreement contemplate that the Leased Property will be used for governmental purposes of the City and, therefore, that the Leased Property will be exempt from all taxes presently assessed and levied with respect to property. In the event that the use, possession, or acquisition by the City or the Lender of the Leased Property is found to be subject to taxation in any form, the City will pay during the term of this Lease/Purchase Agreement, as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Leased Property, and any equipment or other property acquired by the City in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Leased Property; provided that, with respect to any governmental charges or taxes that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are accrued during such time as this Lease/Purchase Agreement is in effect.

(B) Utility Charges. The City shall pay or cause to be paid all gas, water, steam, electricity, heat, power, air conditioning, telephone, utility, and other charges incurred in the operation, maintenance, use, occupancy, and upkeep of the Leased Property.

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

Section 5.5. Liens. If the City shall at any time during the term of this Lease/Purchase Agreement cause any changes, alterations, additions, improvements, or other work to be done or performed or materials to be supplied, in or upon the Leased Property, the City shall pay, when due, all sums of money that may become due for, or purporting to be for, any labor, services, materials, supplies, or equipment furnished or alleged to have been furnished to or for the City in, upon or about the Leased Property and shall keep the Leased Property free of any and all mechanics' or materialmen's liens or other liens against the Leased Property or the Lender's interest therein. In the event any such lien attaches to or is filed against the Leased Property or the Lender's interest therein, the City shall cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due, except that if the City desires to contest any such lien it may do so in good faith. If any such lien is reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and the stay thereafter expires, the City shall forthwith pay (or cause to be paid) and discharge such judgment. The City agrees to and shall, to the maximum extent permitted by law, indemnify and hold the Lender, their directors, successors and assigns, harmless from and against, and defend each of them against, any claim, demand, loss, damage, liability or expense (including attorney's fees) as a result of any such lien or claim of lien against the Leased Property or the Lender's interest therein.

Section 5.6. Environmental Covenants.

(A) Compliance with Laws; No Hazardous Substances. The City will comply with all Applicable Environmental Laws with respect to the Leased Property and will not use, store, generate, treat, transport, or dispose of any Hazardous Substance thereon or in a manner that would cause any Hazardous Substance to later flow, migrate, leak, leach, or otherwise come to rest on or in the Leased Property. The City shall indemnify and hold the Lender harmless from any liabilities, damages, or expenses incurred in connection with a violation by the City of this Section 5.6(A) Compliance with Laws; No Hazardous Substances.

(B) Remediation. The City shall conduct and complete all investigations, studies, sampling and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Substances on, from, or affecting the Leased Property, in accordance with all Applicable Environmental Laws and in accordance with the orders and directives of all Federal, State and local governmental authorities.

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

(D) Access for Inspection. The City will permit the Lender, its agents, or any experts designated by the Lender to have full access to the Leased Property during reasonable business hours and upon 48 hours' prior notice for purposes of such independent investigation of compliance with all Applicable Environmental Laws, provided that the Lender has no obligation to do so, or any liability for any failure to do so, or any liability should it do so, except with respect to any liabilities caused or created due to the Lender's or its agents' activities on the Leased Property.

Section 5.7. Assignment and Subleasing by City. Neither this Lease/Purchase Agreement nor any interest of the City hereunder shall be mortgaged, pledged, assigned, sublet, or transferred by the City by voluntary act or by operation of law or otherwise, except with the prior written consent of the Lender, which, in the case of subletting, shall not be unreasonably withheld; provided such subletting shall not affect the tax-exempt status of the interest components of the Rental Payments payable by the City hereunder. No such mortgage, pledge, assignment, sublease, or transfer shall in any event affect or reduce the obligation of the City to make the Rental Payments required hereunder.

Section 5.8. City Consent to Assignments. Certain of the Lender's rights under the Site Lease and this Lease/Purchase Agreement, including the right to receive and enforce payment of the Rental Payments, may be assigned by the Lender. The City hereby consents to any such assignment of such rights by the Lender or its assignees; provided that any interest herein may only be assigned or otherwise transferred in a private placement or limited offering to other banks, insurance companies, or similar financial institutions. The City agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements, that may be reasonably requested by the Lender or its assignees to protect their interests in the Leased Property and in this Lease Agreement.

Section 5.9. Lender's Disclaimer of Warranties. THE LENDER MAKES NO AGREEMENT, WARRANTY, OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, HABITABILITY, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR FITNESS FOR USE OF THE LEASED PROPERTY, OR WARRANTY WITH RESPECT THERETO. THE CITY ACKNOWLEDGES THAT THE LENDER HAS NOT CONSTRUCTED THE LEASED PROPERTY AND IS NOT A REAL ESTATE BROKER, THAT THE CITY LEASES THE LEASED PROPERTY AS-IS, ITS BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE CITY. In no event shall the Lender be liable for any incidental, indirect, special, or consequential damage in connection with or arising out of this Lease/Purchase Agreement or the existence, furnishing, functioning, or the City's use of the Leased Property or any item or products or services provided for in this Lease/Purchase Agreement.

Section 5.10. Lender Not Liable; Indemnification of the Lender. The Lender and its directors, officers, and employees shall not be liable to the City or to any other party whomsoever for any death, injury, or damage that may result to any person or property by or from any cause whatsoever in, on or about the Leased Property, exclusive of any death, injury, or damage caused, in whole or in part, by the actions of the Lender, as applicable.

The City shall to the full extent then permitted by law, indemnify, protect, hold harmless, save, and keep harmless the Lender and its assignees and their directors, officers, and employees from and against any and all liability, obligations, losses, claims, and damages whatsoever, regardless of the cause thereof (exclusive of any of the foregoing caused, in whole or in part, by the actions of the Lender), and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the entering into of this Lease/Purchase Agreement or any other agreement entered into in connection herewith or therewith, the design or ownership of the Leased Property, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage, or return of any part of the Leased Property, or any accident in connection with the operation, use, condition, possession, storage, or return of any item of the Leased Property resulting in damage to property or injury to or death to any person including, without limitation, any claim alleging latent and other defects, whether or not discoverable by the City or the Lender; any claim for patent, trademark, or copyright infringement; and any claim arising out of strict liability in tort. The indemnification arising under this section shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease/Purchase Agreement or the termination of the term of this Lease/Purchase Agreement for any reason. The City and the Lender mutually agree to promptly give notice to each other of any claim or liability hereby indemnified against following either's learning thereof.

Section 5.11. Federal Income Tax Covenants. The City shall at all times do and perform all acts and things permitted by law and this Lease/Purchase Agreement that are necessary and desirable in order to assure that the interest component of the Rental Payments will be excludable from gross income for federal income tax purposes and shall take no action that would result in such interest not being so excludable. Without limiting the generality of the foregoing, the City agrees to comply with the provisions of the Tax Certificate. This covenant shall survive the payment in full of the City's obligations hereunder.

Section 5.12. Further Assurances. The City and the Lender agree that they will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered such supplements hereto and such further instruments as may be necessary or proper to carry out the intention or to facilitate the performance of this Lease/Purchase Agreement.

Section 5.13. Financial Statements. During the term of this Lease/Purchase Agreement, the City shall, at the request of the Lender, furnish or cause to be furnished to the Lender, at the City's expense, (i) the audited financial statements of the City no later than seven (7) months after the end of the Fiscal Year, or as soon as practicable thereafter, and (ii) any interim or unaudited financial statements that may be reasonably requested by the Lender as soon as available. Any audited financial statements furnished to the Lender shall be prepared in accordance with generally accepted accounting principles, consistently applied, and shall fairly present the City's financial condition as of the date of the statements.

INSURANCE; EMINENT DOMAIN

Section 6.1. Insurance Coverage. At its own expense, the City shall maintain at all times (i) "all risk" property insurance (which may exclude the risk of earthquake and may exclude the risk of flood, unless the Leased Property is mapped into a flood hazard zone) insuring the Leased Property against loss or damage, which insurance shall be provided by an insurer rated no less than "A" by A.M. Best, or as otherwise approved by the Lender, in an amount equal to 100% of the replacement cost without deduction for depreciation; (ii) liability insurance that protects the Lender from liability in all events in a reasonable amount satisfactory to the Lender; (iii) rental abatement insurance in an amount equal to at least two years' Rental Payments; and (iv) workers' compensation insurance covering all employees working on, in, near or about the Leased Property.

Section 6.2. Alternative Risk Management. The City may provide the insurance required by Section 6.1 through (1) a self-insurance method or plan of protection, (2) a program involving captive insurance companies, (3) participation in state or federal insurance programs, (4) participation with other public agencies in mutual or other cooperative insurance or other risk management programs, including those made available through joint exercise of powers agencies, or (5) establishment or participation in other alternative risk management programs; provided that the City may not self-insure against the risk of rental abatement. The City may not increase any of its self-insurance retention amounts with respect to the insurance required by Section 6.1 without the Lender's prior written consent.

Section 6.3. General Provisions. All such insurance shall be with insurers that are authorized to issue such insurance in the State of California and shall contain a provision to the effect that such insurance shall not be cancelled or modified materially and adversely to the interest of the Lender without first giving written notice thereof to the Lender at least ten (10) days in advance of such modification or cancellation. Such changes shall not become effective without the Lender's prior consent, which consent shall not be unreasonably withheld. The liability insurance shall name the Lender as an additional insured. The City shall, at the Lender's request, furnish to the Lender certificates evidencing such coverage.

The "all-risk" property insurance and title insurance shall contain a provision making any losses payable to the Lender and the City as their respective interests may appear. The Net Proceeds from rental abatement insurance shall be paid to the Lender or its assigns and shall be credited toward the payment of Rental Payments in the order in which the Rental Payments come due and payable.

Section 6.4. Advances. In the event the City shall fail to maintain the full insurance coverage required by this Lease/Purchase Agreement or shall fail to keep the Leased Property in good repair and operating condition, the Lender may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and the City agrees to reimburse the Lender all amounts so advanced within thirty (30) days of a written request therefor.

Section 6.5. Damage, Destruction, and Condemnation. If (a) the Leased Property or any portion thereof is damaged or destroyed, in whole or in part, or (b) title to, or the temporary use of, the Leased Property or any part thereof is taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, the City and the Lender shall cause the proceeds of any insurance claim, condemnation award or sale under threat of condemnation to be applied to the prompt repair, reconstruction, or replacement of the Leased Property, unless the City has exercised its right to prepay this Lease/Purchase Agreement as provided herein. Any balance of the proceeds not required for such repair, reconstruction, or replacement shall be paid to the City.

ARTICLE 7.
DEFAULT AND REMEDIES

Section 7.1. Events of Default. The following events shall be Events of Default:

(A) Payment Default. Failure of the City to pay any Rental Payments payable hereunder when the same become due and payable, time being expressly declared to be of the essence of this Lease/Purchase Agreement;

(B) Breach of Covenant. Failure of the City to keep, observe, or perform any other term, covenant or condition contained herein to be kept or performed by the City for a period of thirty (30) days after notice of the same has been given to the City by the Lender; provided that, if the failure stated in the notice cannot be corrected within the applicable period, the Lender shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the City within the applicable period and diligently pursued until the default is corrected, except that such grace period shall not exceed sixty (60) days without the prior written consent of the Lender;

(C) Transfer of City's Interest. Assignment or transfer of the City's interest in this Lease/Purchase Agreement or any part hereof without the written consent of the Lender, either voluntarily or by operation of law or otherwise;

(D) Bankruptcy or Insolvency. Institution of any proceeding under the United States Bankruptcy Code or any federal or state bankruptcy, insolvency, or similar law or any law providing for the appointment of a receiver, liquidator, trustee, or similar official of the City or of all or substantially all of its assets, by or with the consent of the City, or institution of any such proceeding without its consent that is not permanently stayed or dismissed within sixty (60) days, or agreement by the City with the City's creditors to effect a composition or extension of time to pay the City's debts, or request by the City for a reorganization or to effect a plan of reorganization, or for a readjustment of the City's debts, or a general or any assignment by the City for the benefit of the City's creditors;

(E) Abandonment of the Leased Property. Abandonment by the City of any part of the Leased Property.

Section 7.2. Remedies on Default. Upon the occurrence and during the continuance of an Event of Default, it shall be lawful for the Lender to exercise any and all remedies available pursuant to law or the following remedies granted pursuant to this Lease/Purchase Agreement:

(A) Termination of Lease.

(1) Notice of Termination; Re-entry. By written notice to the City, to terminate this Lease/Purchase Agreement and to re-enter the Leased Property and remove all persons in possession thereof and all personal property whatsoever situated upon the Leased Property and place such personal property in storage in any warehouse or other suitable place in the county in which the City is located. In the event of such termination, the City agrees to surrender immediately possession of the Leased Property, without let or hindrance, and to pay the Lender all damages recoverable at law that the Lender may incur by reason of default by the City, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon the Leased Property and removal or storage of such property by the Lender or its duly authorized agents in accordance with the provisions herein contained.

(2) No Termination Except by Notice. Neither (a) notice to pay rent or to deliver up possession of the Leased Property given pursuant to law, nor (b) any entry or re-entry by the Lender, nor (c) any proceeding brought by the Lender to recover possession of the Leased Property, nor (d) the appointment of a receiver upon initiative of the Lender to protect the Lender's interests under this Lease/Purchase Agreement shall of itself operate to terminate this Lease/Purchase Agreement. No termination of this Lease/Purchase Agreement on account of default by the City shall be or become effective by operation of law or acts of the parties hereto, unless and until the Lender shall have given written notice to the City of the election on the part of the Lender to terminate this Lease/Purchase Agreement. The City covenants and agrees that no surrender of the Leased Property or of the remainder of the term hereof or any termination of this Lease/Purchase Agreement shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Lender by such written notice.

(B) Continuation of Lease; Reletting.

(1) Continuation Remedies. Without terminating this Lease/Purchase Agreement, (a) to collect each installment of rent as it becomes due and enforce any other term or provision hereof to be kept or performed by the City, regardless of whether or not the City has abandoned the Leased Property, and/or (b) to enter, retake possession of, and re-let the Leased Property. The term "re-let" or "re-letting" as used in this Article shall include, but not be limited to, re-letting by means of the operation by the Lender of the Leased Property.

(2) City to Remain Liable. If the Lender does not elect to terminate this Lease/Purchase Agreement in the manner provided for in subsection (A) hereof, the City shall remain liable and agrees to keep or perform all covenants and conditions herein contained to be kept or performed by the City. If the Leased Property is not re-let, the City agrees to pay the full amount of the rent to the end of the term of this Lease/Purchase Agreement; if the Leased Property is re-let, the City agrees to pay any deficiency in rent that results therefrom. The City further agrees to pay the rent punctually at the same time and in the same manner as for the payment of rent hereunder (without acceleration), notwithstanding the fact that the Lender may have received in previous years or may receive thereafter in subsequent years rental in excess of the rental herein specified and notwithstanding any entry or re-entry by the Lender or proceeding brought by the Lender to recover possession of the Leased Property.

(3) Agency. Should the Lender elect to enter or re-enter the Leased Property as herein provided, the City hereby irrevocably appoints the Lender as the agent and attorney-in-fact of the City to re-let the Leased Property, or any item or part thereof, from time to time, either in the Lender's name or otherwise, upon such terms and conditions and for such use and period as the Lender may deem advisable. The City further appoints the Lender as its agent to remove all persons in possession of the Leased Property and all personal property whatsoever situated upon the Leased Property and to place such personal property in storage in any warehouse or other suitable place in the county in which the City is located, for the account of and at the expense of the City. The City hereby exempts and agrees to save harmless the Lender from any costs, loss, or damage whatsoever arising out of, in connection

with, or incident to any such retaking of possession and re-letting of the Leased Property and removal and storage of such property by the Lender or its duly authorized agents in accordance herewith.

(4) Adequate Notice. The City agrees that the terms of this Lease/Purchase Agreement constitute full and sufficient notice of the right of the Lender to re-let the Leased Property and to do all other acts to maintain or preserve the Leased Property as the Lender deems necessary or desirable in the event of such retaking or re-entry without effecting a surrender of this Lease/Purchase Agreement, and further agrees that no acts of the Lender in attempting such re-letting shall constitute a surrender or termination of this Lease/Purchase Agreement, irrespective of the use or the term for which such re-letting is made or the terms and conditions of such re-letting, or otherwise, but that, on the contrary, in the event of such default by the City the right to terminate this Lease/Purchase Agreement shall vest in the Lender to be effected in the sole and exclusive manner provided for in subsection (A) hereof.

(5) Waiver of Right to Excess Rent; Agreement to Pay Costs. The City further waives the right to rental obtained by the Lender in excess of the rental herein specified and hereby conveys and releases such excess to the Lender as compensation to the Lender for its services in re-letting the Leased Property or any items or part thereof. The City further agrees to pay the Lender the cost of any alterations or repairs or additions to the Leased Property or any items or part thereof necessary to place the Leased Property or any items or part thereof in condition for re-letting immediately upon notice to the City of the completion and installation of such additions or repairs or alterations.

The City hereby waives any and all claims for damages caused or that may be caused by the Lender in entering or re-entering and taking possession of the Leased Property as herein provided and all claims for damages that may result from the destruction of or injury to the Leased Property and all claims for damages to or loss of any property belonging to the City, or any other person, that may be in or upon the Leased Property.

Section 7.3. No Acceleration. Notwithstanding anything herein to the contrary, there shall be no right under any circumstance to accelerate the Rental Payments or otherwise declare any Rental Payments not yet due to be immediately due and payable.

Section 7.4. No Remedy Exclusive. Each and all of the remedies given to the Lender hereunder or by any law now or hereafter enacted are cumulative and the exercise of one right or remedy shall not impair the right of the Lender to any or all other remedies. If any statute or rule of law validly shall limit the remedies given to the Lender hereunder, the Lender nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law.

Section 7.5. Lender Defaults; City Remedies.

(A) Lender Defaults. The Lender shall in no event be in default in the performance of any of its obligations hereunder or imposed by any statute or rule of law unless and until the Lender shall have failed to perform such obligation within thirty (30) days or such additional time as is reasonably required to correct any such default after notice by the City to the Lender properly specifying wherein the Lender has failed to perform any such obligation.

(B) City Remedies. The Lender's failure to perform any of its obligations hereunder shall not be an event permitting the nonpayment of rent by the City. The parties hereto agree that the performance of the Lender is unique, that the remedies at law for the Lender's nonperformance would be inadequate, and that the City shall institute a suit for specific performance by the Lender upon any default by the Lender.

Section 7.6. Attorneys' Fees. If the Lender prevails in any action brought to enforce any of the terms and provisions of this Lease/Purchase Agreement, the City agrees to pay a reasonable amount as and for attorneys' fees incurred by the Lender in attempting to enforce any of the remedies available to the Lender hereunder, whether or not a lawsuit has been filed and whether or not any lawsuit culminates in a judgment.

Section 7.7. No Additional Waiver. Failure of the Lender to take advantage of any default on the part of the City shall not be, or be construed as, a waiver thereof, nor shall any custom or practice that may grow up between the parties in the course of administering this Lease/Purchase Agreement be construed to waive or to lessen the right of the Lender to insist upon performance by the City of any term, covenant or condition hereof, or to exercise any rights given the Lender on account of such default. A waiver of a particular default shall not be deemed to be a waiver of the same or any subsequent default. The acceptance of rent hereunder shall not be, nor be construed to be, a waiver of any term, covenant or condition of this Lease/Purchase Agreement.

Section 7.8. Application of Amounts Collected. All amounts collected by the Lender under this Article shall be credited towards the Rental Payments in order of Payment Dates.

[Signature page follows]

IN WITNESS WHEREOF, the Lender has executed this Lease/Purchase Agreement in its name and the City has caused this Lease/Purchase Agreement to be executed in its name by its duly authorized officer, all as of the date first above written.

CAPITAL ONE PUBLIC FUNDING, LLC, Lessor

By: ____
Andrew J. Scrivener, Senior Vice President

CITY OF WOODLAND, Lessee

By: ____
[name/title]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF ____________________)

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

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

WITNESS my hand and official seal.

____
Notary Public (Notary Seal)

Insert NEW YORK Notary acknowledgement form for Lender

EXHIBIT A

LEGAL DESCRIPTION OF LEASED PROPERTY

THAT CERTAIN REAL PROPERTY SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF YOLO, CITY OF WOODLAND, DESCRIBED AS FOLLOWS:

PARCEL ONE:

THE WEST 135 FEET OF LOT 3, BLOCK 2, FISKE AND MESSINGER'S ADDITION TO WOODLAND, RECORDED IN BOOK "F" OF DEEDS, PAGE 468, YOLO COUNTY RECORDS.

EXCEPTING THEREFROM, A STRIP OF LAND 20 FEET WIDE CONVEYED BY C. P. SPRAGUE AND JOHN HOLLINGSWORTH, ET AL., TO CALIFORNIA PACIFIC RAILROAD COMPANY, A CORPORATION, BY DEED RECORDED MAY 28, 1874, IN BOOK "Q" OF DEEDS, PAGE 449.

EXCEPTING THEREFROM, THAT PORTION THEREOF LYING BELOW A DEPTH OF 500 FEET MEASURED VERTICALLY FROM THE CONTOUR OF THE SURFACE THEREOF, AS EXCEPTED IN THE DEED EXECUTED BY KENNETH E. BROWN, ET AL., RECORDED JUNE 17, 1983, IN BOOK 1586 OF OFFICIAL RECORDS, PAGE 508.

PARCEL TWO:

COMMENCING AT THE NORTHEAST CORNER OF LOT 2, BLOCK 2, FISKE AND MESSINGER'S ADDITION TO WOODLAND, RECORDED IN BOOK "F" OF DEEDS, PAGE 468; RUNNING THENCE SOUTH 510 FEET, MORE OR LESS, TO THE NORTH LINE OF OAK AVENUE; THENCE WEST ALONG SAID NORTH LINE OF OAK AVENUE, 135 FEET; THENCE NORTH 510 FEET, MORE OR LESS, TO THE SOUTH LINE OF LINCOLN AVENUE; THENCE EAST ALONG THE SOUTH LINE OF LINCOLN AVENUE, 135 FEET, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM, THAT PORTION THEREOF LYING BELOW A DEPTH OF 500 FEET MEASURED VERTICALLY FROM THE CONTOUR OF THE SURFACE THEREOF, AS EXCEPTED IN THE DEED EXECUTED BY KENNETH E. BROWN, ET AL., RECORDED JUNE 17,1983, IN BOOK 1586 OF OFFICIAL RECORDS, PAGE 508.

PARCEL THREE:

A STRIP OF LAND 20.00 FEET IN WIDTH, BEING A PORTION OF THE LAND DESCRIBED IN INDENTURE FROM GEORGE D. FISKE, ET AL., TO CALIFORNIA PACIFIC RAILROAD COMPANY, RECORDED MAY 28, 1874, IN BOOK "Q" OF DEEDS, PAGE 449, AND LYING EQUALLY 10.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTER LINE:

BEGINNING AT A POINT IN THE NORTH LINE OF OAK AVENUE, 80.00 FEET WIDE, DISTANT WEST 55.00 FEET, MEASURED ALONG SAID NORTH LINE, FROM THE WEST LINE OF SIXTH STREET, 60 FEET WIDE; THENCE NORTH, PARALLEL WITH SAID WEST LINE, 510.00 FEET TO THE SOUTH LINE OF LINCOLN AVENUE, 80.00 FEET WIDE.

THE SIDE LINES OF THE ABOVE DESCRIBED 20-FOOT WIDE STRIP OF LAND TERMINATE IN SAID NORTH AND SOUTH LINES.

EXCEPTING THEREFROM, THAT PORTION OF SAID PROPERTY LYING BELOW A DEPTH OF 500 FEET MEASURED VERTICALLY FROM THE CONTOUR OF THE SURFACE THEREOF, AS EXCEPTED IN THE DEED EXECUTED BY SOUTHERN PACIFIC COMPANY, RECORDED SEPTEMBER 2,1969, IN BOOK 920 OF OFFICIAL RECORDS, PAGE 292.

[Parcels One, Two and Three together are commonly known as the Woodland Police Station, 1000 Lincoln Avenue, Woodland, California 95695-4100.]

PARCEL FOUR:

PARCEL 2, PARCEL MAP NO. 2190, FILED AUGUST 4,1972, IN BOOK 1 OF PARCEL MAPS, PAGE 56, YOLO COUNTY RECORDS.

[Parcel Four is commonly known as Fire Station #3, 1550 Spring Lake Court, Woodland, California 95776-4906.]

PARCEL FIVE:

PARCEL 1, PARCEL MAP NO. 3647, FILED JULY 8,1988, IN BOOK 9 OF PARCEL MAPS, PAGE 12, YOLO COUNTY RECORDS.

EXCEPTING THEREFROM, ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES LYING IN, ON OR UNDER SAID PROPERTY, WITHOUT THE RIGHT OF SURFACE ENTRY, AS RESERVED IN THE DEED EXECUTED BY FORREST EMIL STORZ AND EMIL KURT STORZ, RECORDED SEPTEMBER 20, 1984, IN BOOK 1666 OF OFFICIAL RECORDS, PAGE 751.

ALSO EXCEPTING THEREFROM, THE PARCEL OF LAND DESCRIBED IN THE DEED TO OLIVO R. SONORA AND CARMEN A. SONORA, RECORDED SEPTEMBER 11, 2002, INSTRUMENT NO. 37879.

[Parcel Five is commonly known as the Municipal Services Center, 655 N. Pioneer Avenue, Woodland, California 95776-6112.]

EXHIBIT B

SCHEDULE OF RENTAL PAYMENTS

Due Date	Amount Attributable to Principal	Amount Attributable to Interest	Total Rental Payment

Effective Interest Rate: 2.90%

DRAFT

ESCROW AGREEMENT

between the

CITY OF WOODLAND

and

U.S. BANK NATIONAL ASSOCIATION
as Escrow Agent

Dated April 1, 2014

relating to the

advance refunding of the
Woodland Finance Authority
Lease Revenue Bonds (2005 Capital Projects)
(Issued: August 25, 2005)

ESCROW AGREEMENT

This ESCROW AGREEMENT dated April 1, 2014 (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 Woodland Finance Authority (the "Authority") previously issued, for the benefit of the City, $20,390,000 principal amount of its Woodland Finance Authority Lease Revenue Bonds (2005 Capital Projects) (the "2005 Bonds"), pursuant to the Trust Agreement dated August 1, 2005 (the "2005 Trust Agreement"), between the Authority and U.S. Bank National Association, as trustee (the "2005 Trustee"), of which $________ remain outstanding;

WHEREAS, the City entered into a Facilities Lease dated August 1, 2005 (the "2005 Facilities Lease"), with the Authority, under which the City is obligated to make rental payments sufficient to pay debt service on the 2005 Bonds;

WHEREAS, the City wishes to prepay its obligations under the 2005 Facilities Lease and thereby refund the 2005 Bonds;

WHEREAS, the City has taken action to cause to be made available for purchase by the Escrow Agent, from amounts on deposit in the 2005 Escrow Account (as that term is later defined) certain direct noncallable United States Treasury obligations listed on Schedule I attached hereto and made a part hereof, in an aggregate principal amount that, together with the money deposited in the 2005 Escrow Account at the same time as such deposit and the income to accrue on such securities, will be sufficient to pay debt service on the 2005 Bonds through March 1, 2015, and to pay the redemption price of the 2005 Bonds that mature on and after March 1, 2016, on March 1, 2015;

WHEREAS, the provisions of the 2005 Trust 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 2005 Escrow Account. The Escrow Agent agrees to establish and maintain a separate account for the 2005 Bonds designated as the "2005 Escrow Account" until the 2005 Bonds have been redeemed as provided herein and to hold the securities listed on Schedule I (the "Escrow Securities") and the money (whether constituting the initial deposit in the 2005 Escrow Account or constituting receipts on the Escrow Securities) deposited therein in the 2005 Escrow Account at all times as a separate trust account wholly segregated from all other securities, investments or money held by it. All Escrow Securities and money in the 2005 Escrow Account are hereby irrevocably pledged to secure the payment and redemption of the 2005 Bonds for which the 2005 Escrow Account was established as provided herein; provided that any money held in the 2005 Escrow Account that is not used for the redemption of the 2005 Bonds shall be repaid to the City free from the trust created by this Escrow Agreement.

The Escrow Agent shall, on the date of execution and delivery of this Escrow Agreement, accept from Capital One Public Funding, LLC (the "Lender"), on behalf of the City, the amount of $__________, and shall deposit such amount in the 2005 Escrow Account.

(b) Investment of Money in the 2005 Escrow Account. The City hereby directs the Escrow Agent to purchase the Escrow Securities at the price of $__________ from the amounts in the 2005 Escrow Account and retain the balance of such amounts, $____, in cash uninvested.

Any receipts on investments made pursuant to this section in excess of the cost of such investments that are not needed for the redemption of the 2005 Bonds shall be remitted to the City free from the trust created by the Escrow Agreement. 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 2005 Escrow Account. The City hereby irrevocably instructs the Escrow Agent, and the Escrow Agent hereby agrees, to collect and deposit in the 2005 Escrow Account the interest on and principal of any Escrow Securities held in such account promptly as such interest and principal become due, and use such interest and principal, together with the money initially deposited in the 2005 Escrow Account to pay debt service on the 2005 Bonds through March 1, 2015, and to pay the redemption price of the 2005 Bonds as set forth in Schedule II attached hereto.

(d) Deficiencies in the Escrow Fund.

If at any time it shall appear to the Escrow Agent that the money in the 2005 Escrow Account will not be sufficient to make all 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 2005 Escrow Account, from any legally available moneys, such additional money as may be required to provide for the timely making of all such payments. The Escrow Agent shall in no event or manner be responsible for the failure of the City to make any such deposit.

Section 2. Notice of Redemption. The City hereby irrevocably instructs the Escrow Agent, in accordance with the terms and conditions of the 2005 Trust Agreement to provide notice of redemption and a notice of defeasance for the 2005 Bonds that mature on and after March 1, 2016, such notices to be provided in the time and manner specified in the 2005 Trust Agreement and substantially in the forms shown in Exhibit A and Exhibit B.

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 2005 Bonds in accordance with the 2005 Trust 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 2005 Trust 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 may 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 2005 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 2005 Trust 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 2005 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 2005 Bonds, and (ii) unless such amendment is not materially adverse to the interests of the registered owners of the 2005 Bonds, as evidenced by an opinion of counsel, the written consent of the registered owners of all 2005 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
300 First Street
Woodland, CA 95695
Attention: Finance Officer

If to the Escrow Agent: U.S. Bank National Association
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 Lease/Purchase Agreement dated April 1, 2014, between the City and the Lender.

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.

[Signature page follows]

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: ___________________________________
Finance Officer

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent

By: ___________________________________
Authorized Officer

SCHEDULE I

ESCROW SECURITIES

United States Treasury Certificates of Indebtedness
State and Local Government Series

Principal Amount	Interest Rate	Issue Date	Maturity Date

SCHEDULE II

PAYMENT AND REDEMPTION SCHEDULES

Series 2005 Bonds

Payment Date	Principal	Interest	Redemption Price	Total

SCHEDULE III

FINAL SLGS SUBSCRIPTION

EXHIBIT A

NOTICE OF REDEMPTION

of the

Woodland Finance Authority
Lease Revenue Bonds (2005 Capital Projects)
(Issued: August 25, 2005)

NOTICE IS HEREBY GIVEN pursuant to the Trust Agreement dated August 1, 2005, which authorized and provided for the issuance and sale of the above-captioned bonds (the "Bonds"), that:

The Woodland Finance Authority has called for redemption, on March 1, 2015 (the "Redemption Date"), all of the outstanding Bonds that mature on and after March 1 2016 (the "Refunded Bonds"), which are currently outstanding in an aggregate principal amount of $________, at a redemption price equal to 100% of the principal amount of the Refunded Bonds called for redemption, plus interest accrued thereon to the Redemption Date.

The Refunded Bonds are further identified as follows:

Maturity Date (March 1)	Principal Amount	Interest Rate	CUSIP[1]
2016	$1,005,000	4.000%	979513BF4
2017	1,045,000	4.000	979513BG2
2018	1,090,000	4.100	979513BH0
2019	1,130,000	4.100	979513BJ6
2020	1,175,000	4.250	979513BK3
2021	1,225,000	4.500	979513BL1
2026	7,080,000	5.000	979513BR8

The redemption price of the Refunded Bonds shall become due and interest on the Refunded Bonds shall cease to accrue from and after the Redemption Date.

Payment of the redemption price of and accrued interest on the Refunded Bonds will be made only upon presentation and surrender of the Refunded Bonds in the following manner . Registered or certified insured mail is suggested.

---

[1] The Woodland Finance Authority 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 Refunded Bond. They are included solely for the convenience of the owners.

If by Mail:	*If by Hand or Overnight Mail:*
U.S. Bank National Association	U.S. Bank National Association
Corporate Trust Services	Corporate Trust Services
P.O. Box 64111	111 Fillmore Ave. E
St. Paul, MN 55164-0111	St. Paul, MN 55107

Owners presenting their Refunded 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 pickup after 2:00 PM. Checks not picked up by 4:30 P.M. will be mailed out to the registered owner via first class mail. If payment of the Redemption Price is to be made to the registered owner of the Refunded Bond, you are not required to endorse the Refunded Bond to collect the Redemption Price. Interest with respect to the Refunded Bonds shall cease to accrue on and after the Redemption Date.

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: _________, 2015 U.S. Bank National Association, as escrow agent

EXHIBIT B

NOTICE OF DEFEASANCE

OF THE

Woodland Finance Authority
Lease Revenue Bonds (2005 Capital Projects)
Maturing on or after March 1 2016
(Issued August 25, 2005)

NOTICE IS HEREBY GIVEN pursuant to the Trust Agreement dated August 1, 2005 (the "2005 Trust Agreement"), between the Woodland Finance Authority (the "Authority") and U.S. Bank National Association, as trustee thereunder, which authorized and provided for the issuance and sale of the above-captioned bonds (the "Refunded Bonds"), that the City of Woodland (the "City") has deposited in escrow with U.S. Bank National Association, as its escrow agent (the "Escrow Agent"), money and United States Treasury obligations, in the necessary amount (as evidenced in a verification report provided to the Escrow Agent) to pay interest on the Refunded Bonds to and including March 1, 2015, and to redeem all of the Refunded Bonds on March 1, 2015.

The owners of the Refunded Bonds shall cease to be entitled to the pledge of assets made under the 2005 Trust Agreement. All agreements and covenants of the Authority contained in the 2005 Trust Agreement with respect to the Refunded Bonds shall be released and shall cease, terminate, become void and shall be discharged and satisfied, except for the obligation to pay the interest on and the redemption price of the Refunded Bonds, but only from moneys on deposit with the Escrow Agent.

DATED: (date of notice generation) U.S. Bank National Association, as escrow agent]

CITY OF WOODLAND, CA
2014 LEASE REFUNDING

PLACEMENT AGENT AGREEMENT

March 10, 2014

City of Woodland, CA

Ladies and Gentlemen:

The undersigned, Southwest Securities, Inc. (the "Placement Agent"), acting on its own behalf and not as a fiduciary or agent of any other party, offers to enter into the following agreement (this "Agreement") with respect to the above-entitled lease (the "Lease") with the City of Woodland, CA (the "City"), which, upon acceptance by the City, will be binding upon the City and the Placement Agent. Capitalized terms that are used in this offer and not otherwise defined herein shall have the respective meanings ascribed to them in a resolution of the City, adopted March __, 2014 (the "Resolution").

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 Lease.

(i) 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 placement of its Lease, and the Placement Agent hereby accepts such appointment.

The Lease shall be issued in the principal amount and shall bear interest at the rate set forth as provided in the Lease Agreement, and shall be issued in fully registered form, in the authorized denominations of $1 or as mutually agreed upon with the purchaser.

As compensation for its services hereunder, the Placement Agent shall charge a fee equal to $___________. At the closing of any such sale, the City shall pay or cause to be paid such fee to the Placement Agent by wire transfer or immediately available funds. The above fee does not include any services the Placement Agent may render the City in the future, other than the placement of the Lease.

(ii) The City understands that the Placement Agent will be acting as the agent of the City in the offering and sale of the Lease and agrees that, in connection therewith, the Placement Agent will use its "best efforts" to place the Lease, and the City hereby retains the Placement Agent as the exclusive agent of the City to offer and place, on an all or none basis.

This Agreement shall not give rise to any expressed or implied commitment by the Placement Agent to purchase or place any of the Lease.

(iii) The Placement Agent has the right to use or to disclose any information, including, but not limited to, the legal documents prepared in connection with the issuance of the Lease: (i) which is, at the time of disclosure, generally known or available to the public (other than as a result of a breach of this Agreement); (ii) which becomes, at a later date, generally known or available to the public through no fault of the Placement Agent and then only after said later date; (iii) which is disclosed to the Placement Agent in good faith by a third party who, to Placement Agent's knowledge, has an independent right to such information and is under no known obligation not to disclose it to the Placement Agent; (iv) which is possessed by the Placement Agent, as evidenced by such Placement Agent's written or other tangible evidence; (v) to the extent expressly required by any governmental, judicial, supervisory or regulatory authorities pursuant to federal or state law, subpoena or similar legislative, administrative or judicial process; or (vi) the use of which is consented to by the express prior written consent of an authorized representative of the City.

(iv) The Resolution shall contain provisions limiting transfers of the Lease to (i) "qualified institutional buyers" within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act") and (ii) "accredited investors" as described in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act (collectively, the "Approved Buyers"). In addition, the face of each Bond shall contain a legend to the effect that such Bond can only be sold to Approved Buyers. The Placement Agent shall, on a "best efforts" basis, make offers and placements of the Lease solely to persons whom it reasonably believes to be Approved Buyers (each such purchaser herein referred to as a "Purchaser") and shall deliver to the City (i) a completed and duly executed Investor Letter substantially in the form satisfactory to the City, and (ii) a subscription agreement, bond purchase agreement or commitment letter (each such subscription agreement, bond purchase agreement or commitment letter herein referred to as a "Bond Purchase Agreement") from Purchasers to purchase Lease in form and substance satisfactory to the City. The Placement Agent hereby acknowledges that the Lease shall initially be sold to no more than 35 Approved Buyers. There is no assurance that any or all of the Lease will be sold, and the Placement Agent is under no obligation to purchase any of the Lease on its own behalf or on behalf of others.

(v) The City shall (i) allow each Purchaser an opportunity to conduct its own independent examination of, and ask questions and receive answers concerning, the City, the Resolution, the Lease, and the security therefor, and the transactions and documents related to or contemplated by the foregoing, and (ii) furnish each Purchaser with all documents and information regarding the City, the Resolution, the Lease, and the security therefor, and the transactions and documents related to or contemplated by the foregoing, and all matters related thereto, that such Purchaser requests.

(vi) The City acknowledges and agrees that (i) arranging for Approved Buyers to purchase the Lease pursuant to this Agreement is an arm's-length commercial transaction between the City and the Placement Agent, (ii) in connection with such transaction, the Placement Agent is acting solely as a principal and not as an agent or a fiduciary of the City, (iii) the Placement Agent has not assumed (individually or collectively) a fiduciary responsibility in favor of the City with respect to (x) the placement of the Lease or the process leading thereto (whether or not the Placement Agent has advised or is currently advising the City on other matters), or (y) 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 placement of the Lease. The City agrees that it will not claim that the Placement Agent has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the City in connection with such transaction or the process leading thereto. The Placement Agent is not acting as a municipal advisor as defined in Section 15B of the Securities Exchange Act of 1934, as amended, in connection with the matters contemplated by this Agreement.

(vii) The City tentatively expects that the Lease will be placed with a bank.

2. Covenants, Representations and Warranties of the City. The City represents, warrants and agrees as follows:

(i) the City is, and will be at the Closing Date, a duly organized, validly existing and operating joint powers authority pursuant to the laws of the State of California (the "State") with full power and authority to observe and perform the covenants and agreements set forth in this Agreement;

(ii) by official action of the City, prior to or concurrently with the acceptance hereof, the City (a) has duly adopted a resolution authorizing and approving the execution and delivery of this Agreement, and the performance of its obligations contained herein, and (b) such resolution is in full force and effect and has not been amended or supplemented as of the date hereof;

(iii) 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; and

(iv) 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 Lease 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. Any applicable filings will be prepared by the City's counsel, whose fees and disbursements in connection therewith shall be for the account of the City.

3. 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.

4. Termination. The Placement Agent's authorization to carry out its duties hereunder 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.

5. 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 the address set forth above; and to the Placement Agent at Southwest Securities, Inc., 2533 South Coast Hwy 101, Suite 250, Cardiff by the Sea, CA 92007, Attention: Mr. Mike Cavanaugh.

6. Survival of Representations, Warranties and Agreements. 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. 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 Lease.

7. Counterparts. 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.

8. Effectiveness. This Agreement shall become effective upon the execution of the acceptance hereof by a duly authorized signatory of the City, which acceptance hereof shall be indicated on the signature page hereof, and shall be valid and enforceable as of the time of such acceptance. This Agreement may be executed by facsimile transmission and in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

10. No Prior Agreements. This Agreement supersedes and replaces all prior negotiations, agreements and understandings between the parties hereto in relation to the sale of the Lease.

Very truly yours,

SOUTHWEST SECURITIES, INC.

By: ___________________________________
Authorized Representative

The foregoing is hereby agreed to and accepted as of the date first above written:

____

By: ___________________________________
Title: _________________________________

PRIVATE PLACEMENT BANKS

City of Woodland, CA
2005 Lease Revenue Bonds

Indicative Rates as of February 10, 2014

RESULTS

Placement Bank or Institution	Rates	Notes
Alliance Bank of AZ	3.75%	$15,000 legal and rate lock with commitment
BBVA	3.15%	rate lock at commitment about 3 weeks after accpetance, $15,000 legal fee, 5% of par DSR
Capital One	3.00%	$15,000 legal, NO DSR, NO Rating, Rate Lock thru March. Wants to Close in March
GE	3.50%	
JP Morgan/Chase	3.00% could be less	2 weeks to get formal approval. Rate lock thereafter. $15,000 for legal.
Zions		NOT BQ- did not send
Umpqua	3.25%	5 week commitment, 14 day advance rate lock, $15,000 legal

Woodland Finance Authority

2005 Lease Revenue Bonds

(Capital Improvement Projects)

2014 Refunding at PP 2.90%

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
03/01/2015	1,125,000.00	2.900%	408,967.67	1,533,967.67
03/01/2016	1,130,000.00	2.900%	409,045.00	1,539,045.00
03/01/2017	1,160,000.00	2.900%	376,057.50	1,536,057.50
03/01/2018	1,195,000.00	2.900%	342,127.50	1,537,127.50
03/01/2019	1,230,000.00	2.900%	307,255.00	1,537,255.00
03/01/2020	1,265,000.00	2.900%	271,295.00	1,536,295.00
03/01/2021	1,300,000.00	2.900%	234,392.50	1,534,392.50
03/01/2022	1,340,000.00	2.900%	196,402.50	1,536,402.50
03/01/2023	1,380,000.00	2.900%	157,252.50	1,537,252.50
03/01/2024	1,420,000.00	2.900%	116,942.50	1,536,942.50
03/01/2025	1,460,000.00	2.900%	75,472.50	1,535,472.50
03/01/2026	1,505,000.00	2.900%	32,842.50	1,537,842.50
Total	**$15,510,000.00**	**-**	**$2,928,052.67**	**$18,438,052.67**

Yield Statistics

Bond Year Dollars	$100,967.33
Average Life	6.510 Years
Average Coupon	2.9000000%
Net Interest Cost (NIC)	2.9000000%
True Interest Cost (TIC)	2.9002219%
Bond Yield for Arbitrage Purposes	2.9002219%
All Inclusive Cost (AIC)	3.0411886%

IRS Form 8038

Net Interest Cost	2.9000000%
Weighted Average Maturity	6.510 Years

Woodland Finance Authority

2005 Lease Revenue Bonds

(Capital Improvement Projects)

2014 Refunding at PP 2.90%

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
03/01/2015	1,533,967.67	1,533,967.67	1,634,476.26	100,508.59
03/01/2016	1,539,045.00	1,539,045.00	1,637,082.50	98,037.50
03/01/2017	1,536,057.50	1,536,057.50	1,636,882.50	100,825.00
03/01/2018	1,537,127.50	1,537,127.50	1,640,082.50	102,955.00
03/01/2019	1,537,255.00	1,537,255.00	1,635,392.50	98,137.50
03/01/2020	1,536,295.00	1,536,295.00	1,634,062.50	97,767.50
03/01/2021	1,534,392.50	1,534,392.50	1,634,125.00	99,732.50
03/01/2022	1,536,402.50	1,536,402.50	1,634,000.00	97,597.50
03/01/2023	1,537,252.50	1,537,252.50	1,635,000.00	97,747.50
03/01/2024	1,536,942.50	1,536,942.50	1,637,750.00	100,807.50
03/01/2025	1,535,472.50	1,535,472.50	1,632,000.00	96,527.50
03/01/2026	1,537,842.50	1,537,842.50	1,638,000.00	100,157.50
Total	**$18,438,052.67**	**$18,438,052.67**	**$19,628,853.76**	**$1,190,801.09**

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	902,972.41
Net PV Cashflow Savings @ 3.041%(AIC)	902,972.41
Contingency or Rounding Amount	523.74
Net Present Value Benefit	$903,496.15
Net PV Benefit / $14,715,000 Refunded Principal	6.140%
Net PV Benefit / $15,510,000 Refunding Principal	5.825%

Refunding Bond Information

Refunding Dated Date	3/27/2014
Refunding Delivery Date	3/27/2014

300 First Street
Woodland, CA 95695

Legislation Details (With Text)

File #:	14-093 Version: 1	Name:	
Type:	Report of the City Manager	Status:	Agenda Ready
File created:	3/7/2014	In control:	City Council
On agenda:	3/18/2014	Final action:	
Title:	SUBJECT: Overview of Woodland Crime Trends Recommendation for Action: Staff recommends that the City Council receive a report on the Overview of Woodland Crime Trends and provide feedback to staff.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:			

Date	Ver.	Action By	Action	Result

TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: March 18, 2014

SUBJECT: Overview of Woodland Crime Trends

Recommendation for Action: Staff recommends that the City Council receive a report on the Overview of Woodland Crime Trends and provide feedback to staff.

Staff Contact

Dan Bellini, Police Chief - 661-7800, dan.bellini@cityofwoodland.org

Fiscal Impact

There is no fiscal impact

Background

At the February 18, 2014 City Council meeting, the Council received the Public Safety Quarterly Status report for the period of October 2013 through December 2013. The Quarterly report contained yearend crime statistics for calendar year 2013. At that meeting, the Council requested the Police Chief return to Council to further discuss crime trends occurring in Woodland.

Most law enforcement agencies report Part I crime data to the FBI. Part I crimes consist of Homicide, Robbery, Rape, Aggravated Assault, Burglary, Larceny, Motor Vehicle theft, and Arson. These crimes are considered index crimes and are collected due to their seriousness and the belief that these crimes are more accurately reported to law enforcement. Part I crimes fall into two categories: Property crimes (Burglary, Larceny, Motor Vehicle theft, and Arson) and Violent crimes (Homicide, Robbery, Rape, and Aggravated Assaults). Part I crimes are used to measure the level and scope of crime occurring.

Discussion

In 2012, the City of Woodland experienced a dramatic increase (47.3%) in property crimes (Burglary, Larceny, Motor vehicle theft) over calendar year 2011. This increase was largely due to increases in larcenies (62.6% increase) and motor vehicle thefts (54.2% increase). Although we also experienced an increase in burglaries (6.8%) the increase was not as significant. Overall, violent crime (homicides, aggravated assaults, rape, robbery) in 2012 decreased by 1% as compared to 2011, however, it is important to note that we did start to experience an increase in aggravated assaults (12.1% increase).
In 2013, the City continued to experience increases in Part I crimes. Property crimes increased an additional 10.7% over 2012 totals however more importantly was the dramatic increase in burglaries (41.3% increase). In 2013 violent crimes increased 53.7% over 2012 with the most significant increase in aggravated assaults (72.5% increases).

Part I crimes can be used to get an idea of the scope of crime within our region and to see how Woodland compares to other cities in our area. The below two tables compare the Part I crime data for 2011/2012 and 2012/2013.

	2011 Violent crime	2012 Violent crime	Percent Difference	2011 Property crime	2012 Property crime	Percent Difference
Davis	114	95	(16.7)	1499	1493	(0.4)
West Sacramento	172	190	10.5	1389	1481	6.6
Folsom	84	85	1.2	1525	1290	(15.4)
Rocklin	62	49	(21)	1103	926	(16)
Citrus Heights	334	329	(1.5)	3345	3123	(6.6)
Roseville	248	293	18.1	3552	3301	(7.1)
Woodland	179	177	(1.1)	1213	1787	47.3

	2012 Violent crime	2013 Violent crime	Percent Difference	2012 Property crime	2013 Property crime	Percent Difference
Davis	95	105	10.5	1493	1797	20.4
West Sacramento	190	205	7.9	1481	1494	0.88
Folsom	85	99	16.5	1290	1345	4.3
Rocklin	49	62	26.5	926	1017	9.8
Citrus Heights	329	320	(2.7)	3123	2653	(15)
Roseville	293	270	(7.8)	3301	3360	1.8
Woodland	177	272	53.7	1787	1978	10.7

Contributing Factors

(Data taken from West Sacramento's 2013 Workload and Staffing Analysis dated September 2013)

AB 109 was implemented in October 2011 so 2012 was the first full year of implementation. Although it may be too early to draw any conclusions as to the impacts of the realignment population, all of the cities listed above except West Sacramento and Woodland experienced a reduction in total Part I crimes in 2012.

When comparing the 2012 calls for service (CFS) per capita for the regional cities listed above, Woodland is located in the middle of the group with .98 CFS per capita just behind Citrus Heights at .99 CFS per capita. Two of the three cities that had a higher CFS per capita than Woodland also had a higher sworn officer per capita ratio.

	Sworn Officers/capita	CFS/capita
Rocklin	1.63	1.13
West Sacramento	1.39	1.14
Citrus Heights	1.04	.99
Woodland	1.08	.98

The above table reflects Citrus Heights with a lower sworn officer per capita than Woodland, yet Citrus Heights has a slightly higher CFS per capita. When comparing Citrus Heights to Woodland, one must also realize that Citrus Heights compliments their sworn officers with non-sworn personnel. Citrus Heights has 87 sworn officers and 78 non-sworn personnel whereas Woodland only has 60 sworn officers and 15 non-sworn personnel.

The above data is consistent with the outcome of the Woodland Police Department's internal workload study. The Department conducted a workload study in 2013 to determine the amount of uncommitted time available to officers. Uncommitted time is the time the officers are not committed to a previous task and available to conduct proactive enforcement. The 2013 study looked at all 2012 calls for service and the time spent on those calls and found 24% of the officers' time was uncommitted. Unfortunately, the 24% uncommitted time is a best case scenario. The actual uncommitted time is probably lower than this due to the inability to easily extract the number of officers involved in each call for service. The service level standard in the City's General Plan is 50% uncommitted time. We have not yet completed a workload study utilizing the calls for service data from 2013, however, we expect officers' uncommitted time to have decreased even further in 2013 due to the increase in calls for service, the increase in the gravity of the calls for service, and the lack of increased staffing between 2012 and 2013.

When comparing active parolees per capita, the West Sacramento study found that Woodland had the highest parolee per capita ratio at 2.61 parolees per capita, almost double the amount of the next highest city. Additionally, the study found that Woodland was second in sex registrants per capita only to West Sacramento. A comparison of the 2012 Part I crime rate per capita shows that Woodland is second only to Citrus Heights.

Efforts to Address Crime Trend

This past year the Woodland Police Department has implemented several new programs and organized/participated in several joint enforcement operations with allied agencies to try to address the crime trend in our community. Listed below are just a few examples of the Department's efforts.

Field Community Service Officers - During the FY13/14 budget year, the Police Department identified funding that allowed the department to hire two part-time Parking Enforcement Officers. The part-time non-sworn employees replaced the Department's two full-time Community Service Officers previously performing parking enforcement allowing the Department to transition the Community Service Officers into Field CSO's. The Field CSO's are assigned to patrol and respond to "cold" paper calls relieving officers to respond to higher priority in-progress calls for service and freeing officer time for proactive enforcement. Due to time needed to hire the part-time parking enforcement officers and training time, the Field CSO's were deployed to patrol after the first of the year.

Beat 5 Officer - Due to the number of calls for service in the Downtown corridor, the Police Department modified patrol shift deployment to increase shift minimums and create a "fifth" beat during the day shift hours, Monday through Thursday. The fifth beat officer allows for more directed enforcement in the Downtown corridor as well as increases the uncommitted time for officers assigned to day shift patrol. The Beat 5 officer was implemented in the beginning of January and has already made a noticeable impact. Unfortunately, additional sworn staffing will be needed before the beat 5 officer concept can be implemented for the other days of the week and on the swing and grave shifts.

Predictive Policing - In October 2013, the Police Department implemented predictive policing. Predictive policing processes crime data and assigns probabilities of future crime events to regions of space and time placing officers in the right location at the right time to give them the best chance of preventing crime. Since October, the Police Department has been working to refine the data to enhance the capabilities of PredPol.

Nextdoor.com - In November 2013, the Department's volunteer Neighborhood Watch Coordinator received information on Nextdoor.com, a virtual social media program that connects residents of the same neighborhood to one another. Nextdoor.com has become part of the presentation of materials at neighborhood watch meetings and to neighborhood watch captains. There are already approximately 7 neighborhoods in Woodland participating in Nextdoor.com.

Special Enforcement Team - The Police Department's SET team has continued to partner and work very closely with the Probation Department in monitoring the AB 109 and supervised population within Woodland. This partnership has been very effective in ensuring compliance with the terms of probation and/or taking enforcement action on those refusing to abide by their probation terms.

Directed Enforcement Operations - during the past year the Police Department organized/participated in many directed enforcement operations in Woodland. Most of these operations relied on the cooperation and participation of our partner law enforcement agencies. A few examples of these operations are:

- "Operation Woodland Bandits" which involved the service of 6 search warrants in Woodland on subjects believed to be involved in the commission of burglaries within Woodland.
- "Gang Sweep" - to contact identified gang members and ensure those with probation/parole conditions were in compliance as well as gather intelligence through in-field contacts.
- " 290 Sweep " - to contact and ensure those required to register as a sexual offender remain in compliance with the requirements of their registration and/or probation/parole.
- " Vehicle Theft Prevention " - the Department worked closely with the Sacramento County Auto

Theft Suppression Task Force in Woodland on operations directed towards reducing vehicle theft and arresting those involved in vehicle theft.

Conclusion

Staff is extremely concerned by the increases in crime (both violent and property-related) within our community. The crime trends from 2011 through the end of 2013 are of particular concern. We acknowledge that there is likely no single factor to which we can attribute this trend; more than likely it reflects a combination of factors, ranging to impacts of “early release” of inmates from State and County correctional facilities (perhaps exacerbated by Woodland’s role as County seat), general economic conditions, and the impact of budget reductions that have significantly reduced resources in the area of crime prevention and suppression.

While our city police department is doing a commendable job in addressing priority law enforcement activities within its limited resources, clearly, more needs to be done. This includes a) continuing to look at ways to use our current staffing and resources as effectively as possible, b) continuing to work with other agencies to leverage resources available to address criminal activity in our community, c) explore additional tools that can assist in preventing and combating criminal activity, and ultimately, d) assess how additional resources can be brought to bear - in the context of the FY2014/15 budget - to enhancing our crime prevention and suppression activities.

Feedback from the City Council on highlighting crime prevention activities as a citywide priority, as well as consideration of incremental resources as a priority within the FY2014/15 budget would assist staff in ensuring that available resources continue to be directed to the highest priority needs of the community.

Collectively, we look forward to ongoing dialogue with the Council and community on this important issue.

Prepared by: Dan Bellini, Police Chief

Paul Navazio, City Manager