

AGENDA
REGULAR MEETING OF THE
CITY OF KING CITY COUNCIL
AND
Sitting as SUCCESSOR AGENCY OF
THE RDA FOR THE CITY OF KING

TUESDAY JUNE 11, 2019
6:00 P.M.

CITY HALL
212 S. VANDERHURST AVENUE
KING CITY, CALIFORNIA 93930

**Spanish interpretation services will be available at meeting*

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in a City meeting, Please contact the City Clerk's Office (831-386-5925) at least 48 hours prior to the Meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

** Please submit all correspondence for City Council PRIOR to the meeting with a copy to the City Clerk.*

1. CALL TO ORDER

2. ROLL CALL: Council Members Darlene Acosta, Robert Cullen, Carlos DeLeon, Mayor Pro Tem Carlos Victoria, and Mayor Mike LeBarre

3. FLAG SALUTE

4. CLOSED SESSION ANNOUNCEMENTS

5. SPECIAL PRESENTATIONS

None

6. PUBLIC COMMENT

Any member of the public may address the Council for a period not to exceed *three minutes'* total on any item of interest within the jurisdiction of this Council that is not on the agenda. The Council will listen to all communications; however, in compliance with the Brown Act, the Council cannot act on items not on the agenda. Comments should be directed to the Council as a whole and not to any individual Council Member. Slanderous, profane or personal remarks against any Council Member, staff member or member of the audience is not permitted.

7. COUNCIL COMMUNICATIONS & COMMITTEE REPORTS

Individual Council Members may comment on Council business, his or her Council activities, City operations, projects or other items of community interest. Council Members may also request staff to report back at a subsequent meeting on any matter or take action to direct staff to prepare a staff report for a future agenda.

8. STAFF COMMUNICATIONS

Comments presented by the City Manager, City Attorney or other staff on City business and/or announcements.

9. CONSENT AGENDA

The following items listed below are scheduled for consideration as a group. The recommendations for each item are noted. Members of the audience may speak on any item(s) listed on the Consent Agenda. Any Council Member, the City Manager, or the City Attorney may request that an item be withdrawn from the Consent Agenda to allow for full discussion. The Council may approve the remainder of the Consent Agenda on one motion. Items withdrawn from the Consent Agenda may be considered by separate motions at the conclusion of the discussion of each item.

- A. Meeting Minutes of May 28, 2019 Council Meeting
Recommendation: approve and file.
- B. City of King May 31, 2019 Invoices Paid
Recommendation: receive and file.
- C. Public Financing Authority May 31, 2019 Invoices Paid
Recommendation: receive and file.
- D. City of King KCCP Payments through May 28, 2019
Recommendation: receive and file.
- E. Consideration: Lease Purchase Agreement for City Computers and Software
Recommendation: adopt a resolution approving and authorizing the City Manager to execute a Lease Purchase Agreement with Alvarez Technology Group for acquisition of computers and software; and 2) authorize the City Manager to make non-substantive changes to the Agreement as necessary in a form approved by the City Attorney.
- F. Consideration: A Resolution Establishing Terms for the Budget Advisory Committee
Recommendation: adopt a resolution establishing terms for the Budget Advisory Committee.
- G. Consideration: A Resolution in Support of the Monterey County 2020 Census Complete Count Committee
Recommendation: adopt a Resolution in support of the Monterey County 2020 Census Complete Count Committee.
- H. Consideration: A Resolution Approving the Form of and Authorizing Execution of an Amended and Restated Indenture of Trust and Authorizing Actions Related Thereto
Recommendation: adopt a Resolution approving the form of and authorizing execution of an Amended and Restated Indenture of Trust and authorizing actions related thereto.
- I. Consideration: Appointments to the Parks and Recreation Commission
Recommendation: adopt a Resolution reappointing Tiffany Singh and appointing Trina Hearne and Cheryl Harrison to the Parks and Recreation Commission.

J. Consideration: Confirmation of Election and Appointment of King City Volunteer Fire Department Officers and Engineers

Recommendation: 1) approve confirmation of the election of the following 19-20 King City Volunteer Fire Department Officers; 2) approve appointment of the following Chief Engineer and First Assistant Engineer; and 3) approve confirmation of other following engineer positions:

- Chief: Russ Nichols
- First Assistant Chief: Matthew Owens
- Second Assistant Chief: Mike Hearne
- Secretary/Treasurer: Tom Nuck
- Chief Engineer: Steve Rianda
- First Assistant Engineer: John Nuno
- Second Assistant Engineer: Carlos Perez Jr.
- Third Assistant Engineer: Mark Silveira
- Fourth Assistant Engineer: Ty Caulk
- Fifth Assistant Engineer: Cody Young
- Sixth Assistant Engineer: Cole Lambert

10. PUBLIC HEARINGS

A. Consideration: An Ordinance of the City Council of the City of King Approving Zoning District and Historic Corridor Revitalization Plan Amendments on 119 North Vanderhurst Avenue (RZ Case No. 2019-001)

Recommendation: open the public hearing, consider public testimony, introduce and conduct the first reading of the Ordinance, by title only, and set the second reading and adoption for the next regularly scheduled Council meeting of June 25, 2019.

11. REGULAR BUSINESS

A. Consideration: FY 2019-20 / FY 2020-21 Biennial Budget and FY 2019-20 Appropriation Limit

Recommendation: 1) adopt a Resolution approving the FY 2019-20/ FY 2020-21 Biennial Budget; and 2) adopt a Resolution establishing the appropriation limit from tax proceeds for FY 2019-20.

12. CITY COUNCIL CLOSED SESSION

Announcement(s) of any reportable action(s) taken in Closed Session will be made in open session and repeated at the beginning of the next Regular City Council meeting as this portion of the meeting is not recorded.

A. Conference with Legal Counsel - Anticipated Litigation

Significant exposure to litigation pursuant to Government Code Section 54956.9 (d) (2)

One Potential Case

13. ADJOURNMENT

**City Council Meeting
May 28, 2019**

1. CALL TO ORDER:

Regular Meeting called to order at 6:01pm by Mayor LeBarre.

2. FLAG SALUTE:

The flag salute was led by Mayor LeBarre.

3. ROLL CALL:

City Manager Adams conducted roll call.

City Council: Mike LeBarre, Darlene Acosta, Robert Cullen, Carlos DeLeon, Mayor Pro Tem Carlos Victoria.

City Staff: City Manager Steven Adams; City Attorney Roy Santos; Executive Admin. Asst./Deputy City Clerk, Erica Sonne.

4. CLOSED SESSION ANNOUNCEMENTS:

None

5. PRESENTATIONS:

A. Mayor LeBarre presented a commendation to Boxing Club's Ivan Almanza. Ivan thanked for his commendation and stated that he will be representing King City well. He is on his way to the Nationals in Wisconsin June 22nd.

6. PUBLIC COMMUNICATIONS:

Marc Bloom, Cal Water Service Co. announced that they will be starting a project on Talbot, Lockett and South Mildred it should take 6-8 weeks for completion and notices have been sent out.

7. COUNCIL COMMUNICATIONS:

Council Member DeLeon stated he had nothing to report.

Council Member Acosta stated she had nothing to report.

Mayor Pro Tem Victoria stated that the AMBAG meeting will be in two weeks. He will be attending special education students end of the year celebration. He offered to attend any meetings that the Council may need him to for the next couple of months.

Council Member Cullen stated there was a Public works Appreciation week lunch on Thursday at the park from the himself, King City in Bloom, and Council. There was a business seminar and 9 business owners attended. There will be more in the future. This coming Thursday there is a Fair board meeting that he will attend after the Budget workshop. Rides and food sales were down for the Fair slightly due to the rain. He will be not be in attendance for the June 11th City Council meeting. He will be attending the Fort Hunter Liggett change of the command on June 25th.

Mayor LeBarre stated he will be leaving for Sacramento tonight for a meeting for California Council of Government. He will be attending the June 25th change of Command the at Hunter Liggett. Friday Coast rail coordinating meeting. Chad Edison who did the walk through for the rail station, is very impressed with what King City has going on down here and it is nice to have someone in our corner. He attended the VFW Memorial Day celebration and it was very well attended.

8. CITY STAFF REPORTS AND COMMENTS:

City Manager Steven Adams stated we had a public workshop on the downtown plaza and had good attendance. May 30th is the budget workshop 6:00p.m. Thursday.

City Attorney Roy Santos had nothing but will not be attending the budget workshop but is available by phone.

9. CONSENT AGENDA

- A. Meeting Minutes of May 14, 2019 Council Meeting
- B. City of King May 17, 2019 Invoices Paid
- C. Successor Agency May 17, 2019 Invoices Paid
- D. City of King KCCP Payments through May 14, 2019
- E. Consideration: Award a Contract for Annual Tree Trimming Services
- F. Consideration: A Resolution Reaffirming Regulations Establishing Procedures for Handling Requests for Inspection and/or Copying of Public Records
- G. Consideration: Side Letter Agreements with the King City Police Sergeants Association and the King City Police Officers Association Extending Current Labor Agreements
- H. Consideration: A Resolution Approving the Destruction of Records
- I. Consideration: Appropriation for Airport Fueling Station Cleaning

Action: Motion to approve consent agenda items A-I by Victoria and seconded by Cullen.

AYES: Council Members: Mayor LeBarre, Acosta, Cullen, DeLeon and Mayor Pro Tem Victoria

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

10. PUBLIC HEARINGS:

- A. Consideration: Wastewater Rate Increases
Recommendation: 1) conduct the Proposition 218 public hearing and determine the official number of written protests received on the proposed sewer rate increases; and 2) if the number of valid protests received do not exceed 50% of the total number of parcels affected by the proposed rates, adopt the Resolution amending the City of King Monthly sewer service charges beginning July 1, 2019.

City Manager Steve Adams introduced the item.

Bartle Wells and Associates Alex Handlers further introduced this item.

City Attorney Roy Santos further introduced this item stating the number of valid protests received do not exceed 50% of the total number of parcels affected by the proposed rates as we only had 29 written protests.

Mayor LeBarre opened the Prop 218 public hearing, seeing no come forward, Mayor LeBarre closed the prop 218 public hearing.

Mayor LeBarre reopened the public hearing and Deputy City Clerk Erica Sonne stated that there were 29 official written protests and no spoken protests, seeing no one come forward, Mayor LeBarre closed the Prop 218 public hearing.

Action: Motion to adopt the Resolution amending the City of King Monthly sewer service charges beginning July 1, 2019 by DeLeon and seconded by Cullen.

AYES: Council Members: Mayor LeBarre, Acosta, Cullen, DeLeon and Mayor Pro Tem Victoria

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

B. Consideration: A Resolution Amending the City of King Master Fee Schedule to Establish a Fire Facilities, Vehicles and Equipment Development Impact Fee for Buildings with 3 or More Stories

City Manager Steve Adams introduced the item.

Mayor LeBarre opened the public hearing,

Bob Grab clarified that the 3 story buildings will be above ground and that basements do not count.

Mayor LeBarre closed the public hearing.

Action: Motion to 1) conduct the public hearing; and 2) adopt a Resolution amending the City of King Master Fee Schedule to establish a Fire Facilities, Vehicles and Equipment Development Impact Fee for buildings with 3 or more stories by Cullen and seconded by Victoria.

AYES: Council Members: Mayor LeBarre, Cullen, and Mayor Pro Tem Victoria

NOES: Council Members: DeLeon

ABSENT: Council Members:

ABSTAIN: Council Members: Acosta

11. REGULAR BUSINESS:

None

12. CITY COUNCIL CLOSED SESSION

A. Conference with Real Property Negotiators

Properties: City owned property, 1051 Industrial Way, APN 026-351-030-000

Agency Negotiators: Steven Adams

Negotiating Party: Luke Gowdy, Pacific Continental Truss

ADJOURNMENT:

Mayor LeBarre adjourned to closed session at 6:44p.m.

Approved Signatures:

Mayor, Michael LeBarre
City of King

City Clerk, Steven Adams
City of King



Item No. 9(B)

REPORT TO THE CITY COUNCIL

DATE: JUNE 11, 2019

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: MIKE HOWARD, FINANCE DIRECTOR

RE: CONSIDERATION OF CITY OF KING MAY 31, 2019 INVOICES PAID

RECOMMENDATION:

It is recommended City Council receive and file.

BACKGROUND:

At least once a month, the City Treasurer shall submit to the City Council, a copy of the invoices paid for the previous month.

DISCUSSION:

The purpose of this item is to provide the Council an opportunity to review and monitor ongoing expenditures. These documents are attached.

COST ANALYSIS:

There is no fiscal impact as a result of this action.

ENVIRONMENTAL REVIEW:

No Environmental Review required for this item.

ALTERNATIVES:

The following alternatives are provided for Council consideration:

1. Receive and file the report; or
2. Provide other direction to staff regarding requests for additional information.

**CITY COUNCIL/CITY
CONSIDERATION OF CITY MAY 31, 2019 INVOICES PAID
JUNE 11, 2019
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Exhibits:

1. Edit List of Invoices – Detail W/GL

Submitted by:



Mike Howard, Finance Director

Approved by:



Steven Adams, City Manager

Edit List of Invoices - Detail w/GL

May 31, 2019 (FY 2018-19)

Date: 05/31/2019

Time: 11:22 am

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KING CITY CITY HALL

Ref. No. Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
'6104 ACEHIGH	ACE HIGH DESIGNS INC 400 SALINAS STREET SALINAS CA 93901 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/21/2019 05/21/2019 05/21/2019			Uniform	235.98 0.00 0.00 235.98
				WFB N N N		

GL Number	Account Name	Pay Amount	Relieve Amount
10-620-522.109	Uniforms	235.98	0.00
Distribution Total		235.98	0.00
		Vendor Total:	235.98

'6081 CTVHARD	ALCANTAR HARDWARE INC 600 BROADWAY ST KING CITY CA 93930 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/15/2019 05/15/2019 05/15/2019			Paint Brush for Rec Center.	9.78 0.00 0.00 9.78
				WFB N N N		

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-543.000	Repair & Maintenance	9.78	0.00
Distribution Total		9.78	0.00

'6126 CTVHARD	ALCANTAR HARDWARE INC 600 BROADWAY ST KING CITY CA 93930 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/27/2019 05/27/2019 05/27/2019			Patrol 102 & 103	17.38 0.00 0.00 17.38
				WFB N N N		

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-522.110	Patrol & Auto Equipment	17.38	0.00
Distribution Total		17.38	0.00

'6139 CTVHARD	ALCANTAR HARDWARE INC 600 BROADWAY ST KING CITY CA 93930 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/21/2019 05/21/2019 05/21/2019			Brooms for Crew.	72.84 0.00 0.00 72.84
				WFB N N N		

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-522.129	Supplies-Landscaping	72.84	0.00
Distribution Total		72.84	0.00

'6145 CTVHARD	ALCANTAR HARDWARE INC 600 BROADWAY ST KING CITY CA 93930 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/14/2019 05/14/2019 05/14/2019			Paint Supply for Rec Center.	115.69 0.00 0.00 115.69
				WFB N N N		

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-543.000	Repair & Maintenance	115.69	0.00
Distribution Total		115.69	0.00

'6146 CTVHARD	ALCANTAR HARDWARE INC 600 BROADWAY ST KING CITY CA 93930 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/16/2019 05/16/2019 05/16/2019			Cleaning Supplies for Rec Center.	65.22 0.00 0.00 65.22
				WFB N N N		

GL Number	Account Name	Pay Amount	Relieve Amount
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EDIT LIST OF INVOICES - Detail w/OL

May 31, 2019 (FY 2018-19)

Date: 05/31/2019

Time: 11:22 am

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KING CITY CITY HALL

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Taxes Withheld
	City	Disc. Date	Req. No.	Use Description 1 On Check	Discount
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Net Amount
	Email Address	Inv. Date	Invoice No.		

10-426-522.109	Uniforms				65.22	0.00
Distribution Total					65.22	0.00

'6147	ALCANTAR HARDWARE INC	05/31/2019		WFB	Rake & Hoes	42.39
(CTVHARD	600 BROADWAY ST	05/31/2019		N		0.00
	KING CITY	05/21/2019		N	N	0.00
	CA 93930	05/21/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/21/2019	505903			42.39

GL Number	Account Name	Pay Amount	Relieve Amount
22-423-522.118	Small Tools & Equipment	42.39	0.00
Distribution Total		42.39	0.00

'6148	ALCANTAR HARDWARE INC	05/31/2019		WFB	Tools	39.13
(CTVHARD	600 BROADWAY ST	05/31/2019		N		0.00
	KING CITY	05/06/2019		N	N	0.00
	CA 93930	05/06/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/06/2019	505428			39.13

GL Number	Account Name	Pay Amount	Relieve Amount
22-423-522.118	Small Tools & Equipment	39.13	0.00
Distribution Total		39.13	0.00

'6149	ALCANTAR HARDWARE INC	05/31/2019		WFB	Batteries for Broadway	18.48
(CTVHARD	600 BROADWAY ST	05/31/2019		N	Timer.	0.00
	KING CITY	05/02/2019		N	N	0.00
	CA 93930	05/02/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/02/2019	505298			18.48

GL Number	Account Name	Pay Amount	Relieve Amount
10-428-522.129	Supplies-Landscaping	18.48	0.00
Distribution Total		18.48	0.00

'6150	ALCANTAR HARDWARE INC	05/31/2019		WFB	Batteries for Broadway	17.39
(CTVHARD	600 BROADWAY ST	05/31/2019		N	Irrigation Timers.	0.00
	KING CITY	05/02/2019		N	N	0.00
	CA 93930	05/02/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/02/2019	505315			17.39

GL Number	Account Name	Pay Amount	Relieve Amount
10-428-522.129	Supplies-Landscaping	17.39	0.00
Distribution Total		17.39	0.00

'6151	ALCANTAR HARDWARE INC	05/31/2019		WFB	Supplies for Pool Slide.	52.13
(CTVHARD	600 BROADWAY ST	05/31/2019		N		0.00
	KING CITY	05/22/2019		N	N	0.00
	CA 93930	05/22/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/22/2019	505931			52.13

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-543.000	Repair & Maintenance	52.13	0.00
Distribution Total		52.13	0.00

'6152	ALCANTAR HARDWARE INC	05/31/2019		WFB	Supplies for Rec Center	10.85
(CTVHARD	600 BROADWAY ST	05/31/2019		N	Prep Work.	0.00
	KING CITY	05/21/2019		N	N	0.00
	CA 93930	05/21/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/21/2019	505911			10.85

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Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Taxes Withheld
	City	Disc. Date	Sep. Ck.?	Use Description 1 On Check	Discount
	State/Province Zip/Postal	Due Date	1099?	Hand Check Number/Date	Net Amount
	Email Address	Inv. Date	Invoice No.		

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-543.000	Repair & Maintenance	10.85	0.00
Distribution Total		10.85	0.00

'6153	ALCANTAR HARDWARE INC	05/31/2019		WFB	Door Lock	
	600 BROADWAY ST	05/31/2019		N		57.33
	KING CITY	02/04/2019		N	N	0.00
	CA 93930	02/04/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	02/04/2019	502123			57.33

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-522.118	Small Tools & Equipment	57.33	0.00
Distribution Total		57.33	0.00

'6154	ALCANTAR HARDWARE INC	05/31/2019		WFB	Supplies for Chain Saw.	
	600 BROADWAY ST	05/31/2019		N		9.78
	KING CITY	05/22/2019		N	N	0.00
	CA 93930	05/22/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/22/2019	505929			9.78

GL Number	Account Name	Pay Amount	Relieve Amount
10-425-522.000	Operating Supplies	9.78	0.00
Distribution Total		9.78	0.00

'6155	ALCANTAR HARDWARE INC	05/31/2019		WFB	Level for City Hall Project.	
	600 BROADWAY ST	05/31/2019		N		15.21
	KING CITY	05/17/2019		N	N	0.00
	CA 93930	05/17/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/17/2019	505791			15.21

GL Number	Account Name	Pay Amount	Relieve Amount
10-422-522.118	Small Tools & Equipment	15.21	0.00
Distribution Total		15.21	0.00

'6156	ALCANTAR HARDWARE INC	05/31/2019		WFB	Supplies for Painting	
	600 BROADWAY ST	05/31/2019		N	Rec Center.	27.14
	KING CITY	05/09/2019		N	N	0.00
	CA 93930	05/09/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/09/2019	505533			27.14

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-522.118	Small Tools & Equipment	27.14	0.00
Distribution Total		27.14	0.00

'6157	ALCANTAR HARDWARE INC	05/31/2019		WFB	Paint Supply for Rec Center.	
	600 BROADWAY ST	05/31/2019		N		27.14
	KING CITY	05/14/2019		N	N	0.00
	CA 93930	05/14/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/14/2019	505704			27.14

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-543.000	Repair & Maintenance	27.14	0.00
Distribution Total		27.14	0.00

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Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Taxes Withheld
	City	Disc. Date	Req. No.	Use Description 1 On Check	Discount
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Net Amount
	Email Address	Inv. Date	Invoice No.		
	ALCANTAR HARDWARE INC	05/31/2019	WFB	Cleaning Supplies -	
	600 BROADWAY ST	05/31/2019	N	Restrooms.	83.13
76158	KING CITY	05/06/2019	N	N	0.00
<CTVHARD	CA 93930	05/06/2019	0.00	N	0
	<Emailing Stub Disabled>	05/06/2019	505426		83.13

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-522.102	Janitorial Supplies	83.13	0.00
Distribution Total		83.13	0.00

Vendor Total: 681.01

	AMERICAN SUPPLY CO.	05/31/2019	WFB	Janitorial Supply	
	P O BOX 2026	05/31/2019	N		90.45
76078	SALINAS,	03/12/2019	N	N	0.00
AM SUPPLY	CA 93902	03/12/2019	0.00	N	0
	<Emailing Stub Disabled>	03/12/2019	2841689		90.45

GL Number	Account Name	Pay Amount	Relieve Amount
10-161-522.102	Janitorial Supplies	90.45	0.00
Distribution Total		90.45	0.00

	AMERICAN SUPPLY CO.	05/31/2019	WFB	Janitorial Supply	
	P O BOX 2026	05/31/2019	N		-110.53
76079	SALINAS,	03/12/2019	N	N	0.00
AM SUPPLY	CA 93902	03/12/2019	0.00	N	0
	<Emailing Stub Disabled>	03/12/2019	2841687-CM		-110.53

GL Number	Account Name	Pay Amount	Relieve Amount
10-161-522.102	Janitorial Supplies	-110.53	0.00
Distribution Total		-110.53	0.00

	AMERICAN SUPPLY CO.	05/31/2019	WFB	Janitorial Supply	
	P O BOX 2026	05/31/2019	N		1,271.80
76080	SALINAS,	03/06/2019	N	N	0.00
AM SUPPLY	CA 93902	03/06/2019	0.00	N	0
	<Emailing Stub Disabled>	03/06/2019	2841076		1,271.80

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-543.102	Janitorial Service	1,271.80	0.00
Distribution Total		1,271.80	0.00

	AMERICAN SUPPLY CO.	05/31/2019	WFB	Janitorial Supply	
	P O BOX 2026	05/31/2019	N		441.88
6082	SALINAS,	01/15/2019	N	N	0.00
AM SUPPLY	CA 93902	01/15/2019	0.00	N	0
	<Emailing Stub Disabled>	01/15/2019	2835754		441.88

GL Number	Account Name	Pay Amount	Relieve Amount
10-161-522.102	Janitorial Supplies	441.88	0.00
Distribution Total		441.88	0.00

Vendor Total: 1,693.60

	ASSOCIATED ENGINEERING-SUF	05/31/2019	WFB	Riverview Common Area	
	7651 EIGLEBERRY STREET	05/31/2019	N	Landscape Project.	800.00
6074	GILROY	05/08/2019	N	N	0.00
IANNA	CA 95020-5122	05/08/2019	0.00	N	0
	<Emailing Stub Disabled>	05/08/2019	19205		800.00

Edit List of Invoices - Detail w/GL

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Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Gross Amount
	City	Disc. Date	Req. No.	Use Description 1 On Check	Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Discount
	Email Address	Inv. Date	Invoice No.		Net Amount

GL Number	Account Name	Pay Amount	Relieve Amount
36-465-541.120	Landscape Maintenance	800.00	0.00
Distribution Total		800.00	0.00

	ASSOCIATED ENGINEERING-SUF	05/31/2019		WFB	Encroachment Permits -	
	7651 EIGLEBERRY STREET	05/31/2019		N	Plan Check/Inspection	1,440.00
'6075	GILROY	05/08/2019		N	N	0.00
-IANNA	CA 95020-5122	05/08/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/08/2019	19197			<u>1,440.00</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-221-532.000	Engineering Services	1,440.00	0.00
Distribution Total		1,440.00	0.00

Vendor Total: 2,240.00

	AT & T	05/31/2019		WFB	Telephone Service -	
	PO BOX 5025	05/31/2019		N	#960 739-3158 555 0	182.25
'6057	CAROL STREAM	05/10/2019		N	N	0.00
AT & T	IL 60197-5025	05/10/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/10/2019	05102019			<u>182.25</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-161-541.103	Telephone	182.25	0.00
Distribution Total		182.25	0.00

	AT & T	05/31/2019		WFB	Telephone - City Hall	
	PO BOX 5025	05/31/2019		N	#831 386-9066 718 1	230.94
'6131	CAROL STREAM	05/20/2019		N	N	0.00
AT & T	IL 60197-5025	05/20/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/20/2019	05202019			<u>230.94</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-161-541.103	Telephone	230.94	0.00
Distribution Total		230.94	0.00

Vendor Total: 413.19

	AT&T	05/31/2019		WFB	911 Line - #9391036550	
	PO BOX 9011	05/31/2019		N		19.87
'6127	CAROL STREAM	05/24/2019		N	N	0.00
AT&T - C	IL 60197-9011	05/24/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/24/2019	13086794			<u>19.87</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-536.301	911 Dispatch Services	19.87	0.00
Distribution Total		19.87	0.00

	AT&T	05/31/2019		WFB	KCPD Line - #9391048339	
	PO BOX 9011	05/31/2019		N		20.63
'6128	CAROL STREAM	05/24/2019		N	N	0.00
AT&T - C	IL 60197-9011	05/24/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/24/2019	13086205			<u>20.63</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-536.301	911 Dispatch Services	20.63	0.00
Distribution Total		20.63	0.00

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	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discount
	Email Address	Inv. Date	Invoice No.			Net Amount

Vendor Total: 40.50

	AVIATION SPECIALTIES	05/31/2019		WFB	Inspection Maint on	
	265 SAN BENANCIO ROAD	05/31/2019		N	Jet Fuel Tanks.	654.55
76134	SALINAS	04/30/2019		N	N	0.00
AVIATION S	CA 93908	04/30/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/30/2019	CofK04 19			654.55

GL Number	Account Name	Pay Amount	Relieve Amount
15-440-533.000	Contract Services	654.55	0.00
Distribution Total		654.55	0.00

Vendor Total: 654.55

	SYLVIA KANANI BARBREE	05/31/2019		WFB	Pool Plants	
	650 CANAL STREET	05/31/2019		N		57.40
76163	KING CITY	05/08/2019		N	N	0.00
GARDEN	CA 93930	05/08/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/08/2019	57087			57.40

GL Number	Account Name	Pay Amount	Relieve Amount
10-620-522.000	Operating Supplies	57.40	0.00
Distribution Total		57.40	0.00

	SYLVIA KANANI BARBREE	05/31/2019		WFB	Plant for Council Member-	
	650 CANAL STREET	05/31/2019		N	Acosta.	52.15
76164	KING CITY	05/13/2019		N	N	0.00
GARDEN	CA 93930	05/13/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/13/2019	57137			52.15

GL Number	Account Name	Pay Amount	Relieve Amount
10-111-522.140	Miscellaneous	52.15	0.00
Distribution Total		52.15	0.00

Vendor Total: 109.55

	RICHARD A. BENSON PLUMBING	05/31/2019		WFB	Garbage Disposal Replacement-	
	630 BROADWAY	05/31/2019		N	Fire Dept.	466.59
76077	KING CITY	04/29/2019		N	N	0.00
BENSON	CA 93930	04/29/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/29/2019	58773			466.59

GL Number	Account Name	Pay Amount	Relieve Amount
10-321-543.101	Fire Station Maintenance	466.59	0.00
Distribution Total		466.59	0.00

	RICHARD A. BENSON PLUMBING	05/31/2019		WFB	Septic Tank Cleaning	
	630 BROADWAY	05/31/2019		N		90.00
6083	KING CITY	04/01/2019		N	N	0.00
BENSON	CA 93930	04/01/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/01/2019	58681			90.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-630-543.000	Repair & Maintenance	90.00	0.00
Distribution Total		90.00	0.00

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'6084 BENSON	RICHARD A. BENSON PLUMBING 630 BROADWAY KING CITY CA 93930 <Emailing Stub Disabled>	05/31/2019 05/31/2019 04/03/2019 04/03/2019 04/03/2019		WFB N N N	Plumbing Pools Rest Rooms. N 0	1,376.43 0.00 0.00 <u>1,376.43</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-620-543.000	Repair & Maintenance	1,376.43	0.00
Distribution Total		1,376.43	0.00

Ref. No. Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
'6086 BENSON	RICHARD A. BENSON PLUMBING 630 BROADWAY KING CITY CA 93930 <Emailing Stub Disabled>	05/31/2019 05/31/2019 04/10/2019 04/10/2019 04/10/2019		WFB N N N	Leaking Shower - Anex Building. N 0	108.80 0.00 0.00 <u>108.80</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-161-522.102	Janitorial Supplies	108.80	0.00
Distribution Total		108.80	0.00

Vendor Total: 2,041.82

Ref. No. Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
'6107 CARMEL FIR	ART BLACK P O BOX 7168 CARMEL-BY-THE-SEA CA 93921 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/21/2019 05/21/2019 05/21/2019		WFB N N Y	Building Insp Services. KCB 180 228 N 0	250.00 0.00 0.00 <u>250.00</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	250.00	0.00
Distribution Total		250.00	0.00

Ref. No. Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
'6108 CARMEL FIR	ART BLACK P O BOX 7168 CARMEL-BY-THE-SEA CA 93921 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/21/2019 05/21/2019 05/21/2019		WFB N N Y	Building Insp Services. KCB 180 230 N 0	250.00 0.00 0.00 <u>250.00</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	250.00	0.00
Distribution Total		250.00	0.00

Ref. No. Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
'6109 CARMEL FIR	ART BLACK P O BOX 7168 CARMEL-BY-THE-SEA CA 93921 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/21/2019 05/21/2019 05/21/2019		WFB N N Y	Building Insp Services. KCB 180 229 N 0	250.00 0.00 0.00 <u>250.00</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	250.00	0.00
Distribution Total		250.00	0.00

Ref. No. Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
'6110 CARMEL FIR	ART BLACK P O BOX 7168 CARMEL-BY-THE-SEA CA 93921 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/21/2019 05/21/2019 05/21/2019		WFB N N Y	Building Insp Services. KCB 180 249 N 0	250.00 0.00 0.00 <u>250.00</u>

GL Number	Account Name	Pay Amount	Relieve Amount
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	City	Disc. Date	Req. No.	Use Description 1 On Check	Discount
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Net Amount
	Email Address	Inv. Date	Invoice No.		

10-231-533.000	Contract Services				250.00	0.00
Distribution Total					250.00	0.00

76111	ART BLACK	05/31/2019		WFB	Building Insp Services.	
	P O BOX 7168	05/31/2019		N	KCB 180 085	325.00
CARMEL FIR	CARMEL-BY-THE-SEA	05/22/2019		N	N	0.00
	CA 93921	05/22/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/22/2019	119207			325.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	325.00	0.00
Distribution Total		325.00	0.00

76112	ART BLACK	05/31/2019		WFB	254 Brighton Ave - Fire	
	P O BOX 7168	05/31/2019		N	Residential.- KCB 190 077	250.00
CARMEL FIR	CARMEL-BY-THE-SEA	05/12/2019		N	N	0.00
	CA 93921	05/12/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/12/2019	119191			250.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	250.00	0.00
Distribution Total		250.00	0.00

76113	ART BLACK	05/31/2019		WFB	258 Brighton Ave.- Fire	
	P O BOX 7168	05/31/2019		N	Residential - KCB 190 078	250.00
CARMEL FIR	CARMEL-BY-THE-SEA	05/12/2019		N	N	0.00
	CA 93921	05/12/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/12/2019	119190			250.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	250.00	0.00
Distribution Total		250.00	0.00

76114	ART BLACK	05/31/2019		WFB	262 Brighton Ave. - Fire	
	P O BOX 7168	05/31/2019		N	Residential - KCB 190 079	250.00
CARMEL FIR	CARMEL-BY-THE-SEA	05/12/2019		N	N	0.00
	CA 93921	05/12/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/12/2019	119189			250.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	250.00	0.00
Distribution Total		250.00	0.00

6115	ART BLACK	05/31/2019		WFB	267 Brighton Ave. - Fire	
	P O BOX 7168	05/31/2019		N	Residential - KCB 190 075	250.00
CARMEL FIR	CARMEL-BY-THE-SEA	05/12/2019		N	N	0.00
	CA 93921	05/12/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/12/2019	119188			250.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	250.00	0.00
Distribution Total		250.00	0.00

6116	ART BLACK	05/31/2019		WFB	263 Brighton Ave. - Fire	
	P O BOX 7168	05/31/2019		N	Residential. - KCB 190 074	250.00
CARMEL FIR	CARMEL-BY-THE-SEA	05/12/2019		N	N	0.00
	CA 93921	05/12/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/12/2019	119187			250.00

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	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discount
	Email Address	Inv. Date	Invoice No.			Net Amount

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	250.00	0.00
Distribution Total		250.00	0.00

	ART BLACK	05/31/2019		WFB	259 Brighton Ave - Fire	
	P O BOX 7168	05/31/2019		N	Residential - KCB 190 073	250.00
76117	CARMEL-BY-THE-SEA	05/12/2019		N	N	0.00
CARMEL FIR	CA 93921	05/12/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/12/2019	119186			250.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	250.00	0.00
Distribution Total		250.00	0.00

Vendor Total: 2,825.00

	CHOMP	05/31/2019		WFB	AED Training	
	DEENA HAYNES-AED PROGRAM	05/31/2019		N		75.00
76070	MONTEREY	05/17/2019		N	N	0.00
CHOMP	CA 93942	05/17/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/17/2019	05172019			75.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-621-553.000	Training	75.00	0.00
Distribution Total		75.00	0.00

Vendor Total: 75.00

	CLIFTON T. UMSTEAD	05/31/2019		WFB	Repair Pump - Dive Pool	
	P O BOX 2482	05/31/2019		N		4,556.21
6144	KING CITY	05/14/2019		N	N	0.00
JMSTEAD EL	CA 93930	05/14/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/14/2019	4086			4,556.21

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-533.000	Contract Services	4,556.21	0.00
Distribution Total		4,556.21	0.00

Vendor Total: 4,556.21

	COASTAL TRACTOR	05/31/2019		WFB	Rental Tractor for Mowing	
	10 HARRIS PLACE	05/31/2019		N	Airport.	652.50
6090	SALINAS,	04/29/2019		N	N	0.00
COASTAL	CA 93901	04/29/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/29/2019	UK01803A			652.50

GL Number	Account Name	Pay Amount	Relieve Amount
15-440-533.000	Contract Services	652.50	0.00
Distribution Total		652.50	0.00

Vendor Total: 652.50

	CRIMESTAR CORPORATION	05/31/2019		WFB	Records Management -	
	P.O. BOX 6100	05/31/2019		N	Annual Support Renewal	1,500.00
6059	SANTA BARBARA	05/13/2019		N	N	0.00
CRIMESTAR	CA 93160	05/13/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/13/2019	9490			1,500.00

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	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discount
	Email Address	Inv. Date	Invoice No.			Net Amount

GL Number	Account Name	Pay Amount	Relieve Amount
13-312-533.000	Contract Services	1,500.00	0.00
Distribution Total		1,500.00	0.00

Vendor Total: 1,500.00

'6105	CSG CONSULTANTS INC	05/31/2019		WFB	Building Insp Service		
	550 PILGRIM DRIVE	05/31/2019		N			250.00
CSGCON	FOSTER CITY	05/01/2019		N	N		0.00
	CA 94404	05/01/2019	0.00	N	0		0.00
	<Emailing Stub Disabled>	05/01/2019	B190472				250.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	250.00	0.00
Distribution Total		250.00	0.00

'6106	CSG CONSULTANTS INC	05/31/2019		WFB	Building Insp Services		
	550 PILGRIM DRIVE	05/31/2019		N			15,812.50
CSGCON	FOSTER CITY	05/08/2019		N	N		0.00
	CA 94404	05/08/2019	0.00	N	0		0.00
	<Emailing Stub Disabled>	05/08/2019	24589				15,812.50

GL Number	Account Name	Pay Amount	Relieve Amount
10-231-533.000	Contract Services	15,812.50	0.00
Distribution Total		15,812.50	0.00

Vendor Total: 16,062.50

'6161	EIKHOF DESIGN GROUP INC	05/31/2019		WFB	Contracting Services.		
	4875 EL CAMINO REAL	05/31/2019		N			5,239.09
EIKHOF	ATASCADERO	05/01/2019		N	N		0.00
	CA 93422	05/01/2019	0.00	N	0		0.00
	<Emailing Stub Disabled>	05/01/2019	2019-102				5,239.09

GL Number	Account Name	Pay Amount	Relieve Amount
18-412-538.000	Professional Services	3,667.09	0.00
15-440-538.000	Professional Services	786.00	0.00
10-422-538.000	Professional Services	786.00	0.00
Distribution Total		5,239.09	0.00

Vendor Total: 5,239.09

'6073	ENGIE SERVICES U.S. INC.	05/31/2019		WFB	Solar Project Maint &		
	12980 FOSTER STREET	05/31/2019		N	Operation.		8,649.00
ENGIE	OVERLAND PARK	03/26/2019		N	N		0.00
	KS 66213	03/26/2019	0.00	N	0		0.00
	<Emailing Stub Disabled>	03/26/2019	14177				8,649.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-620-543.000	Repair & Maintenance	2,162.25	0.00
18-412-543.000	Repair & Maintenance	5,189.40	0.00
22-427-543.212	Street Light Maintenance	1,297.35	0.00
Distribution Total		8,649.00	0.00

Vendor Total: 8,649.00

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Vendor No.	State/Province Zip/Postal Email Address	Due Date Inv. Date	Disc. % Invoice No.	1099?	Hand Check Number/Date	Discount Net Amount
	FRESNO CITY COLLEGE 1101 E UNIVERSITY AVENUE FRESNO	05/31/2019 05/31/2019 05/20/2019		WFB N N	FTO School - Kennedy	137.00 0.00
76162	CA 93741	05/20/2019	0.00	N	0	0.00
CC	<Emailing Stub Disabled>	05/20/2019	14395261			137.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-553.000	Training	137.00	0.00
Distribution Total		137.00	0.00

Vendor Total: 137.00

	GONZALES IRRIGATION SYSTEM P.O. DRAWER BB GONZALES	05/31/2019 05/31/2019 05/08/2019		WFB N N	Supplies for Softball Field.	47.86 0.00
76136	CA 93926	05/08/2019	0.00	N	0	0.00
SIS	<Emailing Stub Disabled>	05/08/2019	KC103574			47.86

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-543.000	Repair & Maintenance	47.86	0.00
Distribution Total		47.86	0.00

	GONZALES IRRIGATION SYSTEM P.O. DRAWER BB GONZALES	05/31/2019 05/31/2019 05/08/2019		WFB N N	Supplies for Softball Field.	167.01 0.00
76137	CA 93926	05/08/2019	0.00	N	0	0.00
SIS	<Emailing Stub Disabled>	05/08/2019	KC103552			167.01

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-543.000	Repair & Maintenance	167.01	0.00
Distribution Total		167.01	0.00

	GONZALES IRRIGATION SYSTEM P.O. DRAWER BB GONZALES	05/31/2019 05/31/2019 05/08/2019		WFB N N	Supplies for Softball Field.	7.44 0.00
76138	CA 93926	05/08/2019	0.00	N	0	0.00
SIS	<Emailing Stub Disabled>	05/08/2019	KC103557			7.44

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-543.000	Repair & Maintenance	7.44	0.00
Distribution Total		7.44	0.00

Vendor Total: 222.31

	GREEN LINE 1128-A MADISON LANE SALINAS	05/31/2019 05/31/2019 03/07/2019		WFB N N	Clean Out Sewer Line	1,840.00 0.00
6096	CA 93907	03/07/2019	0.00	N	0	0.00
GREEN L	<Emailing Stub Disabled>	03/07/2019	13082404-A			1,840.00

GL Number	Account Name	Pay Amount	Relieve Amount
18-412-556.000	Contract Services/Rentals	1,840.00	0.00
Distribution Total		1,840.00	0.00

Vendor Total: 1,840.00

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'6130 HINDERLITE	HINDERLITER, DELLAMAS & ASS 120 S STATE COLLEGE BLVD. BREA, CA 92821 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/20/2019 05/20/2019 05/20/2019		WFB N N N	Cannabis Background Checks. 0	1,650.00 0.00 0.00 1,650.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-000-204.153	Cannabis Background Payable	1,650.00	0.00
Distribution Total		1,650.00	0.00

Ref. No. Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
'6159 HINDERLITE	HINDERLITER, DELLAMAS & ASS 120 S STATE COLLEGE BLVD. BREA, CA 92821 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/23/2019 05/23/2019 05/23/2019		WFB N N N	Sales Tax Administration 0	1,285.07 0.00 0.00 1,285.07

GL Number	Account Name	Pay Amount	Relieve Amount
10-264-538.000	Professional Services	1,285.07	0.00
Distribution Total		1,285.07	0.00

Vendor Total: 2,935.07

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'6089 HYDRO TURF	HYDRO TURF, INC. 750 WORK STREET SALINAS CA 93901 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/15/2019 05/15/2019 05/15/2019		WFB N N N	Supply for Park Maintenance. 0	165.74 0.00 0.00 165.74

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-522.118	Small Tools & Equipment	165.74	0.00
Distribution Total		165.74	0.00

Vendor Total: 165.74

Ref. No. Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
'6060 FIRE KING	JOSE RODRIGUEZ 112 SOUTH FIRST STREET KING CITY CA 93930 <Emailing Stub Disabled>	05/31/2019 05/31/2019 04/08/2019 04/08/2019 04/08/2019		WFB N N Y	Vehicle Maint. - Unit 112 0	266.07 0.00 0.00 266.07

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-543.301	Vehicles Repair & Maint	266.07	0.00
Distribution Total		266.07	0.00

Ref. No. Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
'6061 FIRE KING	JOSE RODRIGUEZ 112 SOUTH FIRST STREET KING CITY CA 93930 <Emailing Stub Disabled>	05/31/2019 05/31/2019 04/15/2019 04/15/2019 04/15/2019		WFB N N Y	Vehicle Maint - Unit 102 0	107.15 0.00 0.00 107.15

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-543.301	Vehicles Repair & Maint	107.15	0.00
Distribution Total		107.15	0.00

Ref. No. Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
'6062 FIRE KING	JOSE RODRIGUEZ 112 SOUTH FIRST STREET KING CITY CA 93930 <Emailing Stub Disabled>	05/31/2019 05/31/2019 04/15/2019 04/15/2019 04/15/2019		WFB N N Y	Vehicle Maint. - Unit 108 0	448.36 0.00 0.00 448.36

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	City	Disc. Date	Req. No.	Use Description 1 On Check		Taxes Withheld
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discount
	Email Address	Inv. Date	Invoice No.			Net Amount

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-543.301	Vehicles Repair & Maint	448.36	0.00
Distribution Total		448.36	0.00

'6063	JOSE RODRIGUEZ	05/31/2019		WFB	Vehicle Maint. - Ford Crown Vi	
	112 SOUTH FIRST STREET	05/31/2019		N		153.21
FIRE KING	KING CITY	04/16/2019		N	N	0.00
	CA 93930	04/16/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	04/16/2019	69443			153.21

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-543.301	Vehicles Repair & Maint	153.21	0.00
Distribution Total		153.21	0.00

Vendor Total: 974.79

'6135	JV VENTURES INC	05/31/2019		WFB	Clean Truck	
	905 BROADWAY	05/31/2019		N	(Tar)	175.00
JVVENT	KING CITY	05/09/2019		N	N	0.00
	CA 93930	05/09/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/09/2019	05092019			175.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-422-543.301	Vehicles Repair & Maint	175.00	0.00
Distribution Total		175.00	0.00

Vendor Total: 175.00

'6098	KENT M. KAWAGOE, PH.D.	05/31/2019		WFB	Pre-employment Psych	
	5740 N PALM AVE., SUITE 105	05/31/2019		N	Evaluation.	700.00
KAWAGOE	FRESNO	04/30/2019		N	N	0.00
	CA 93704	04/30/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	04/30/2019	Mar, & April 2019			700.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-558.312	Recruitment Expenses	700.00	0.00
Distribution Total		700.00	0.00

Vendor Total: 700.00

'6101	KEY EVIDENCE LOCK & SAFE INC	05/31/2019		WFB	New Cyber Keys	
	2343 W. WHITENDALE AVE	05/31/2019		N		893.88
EYEVID	VISALIA	05/20/2019		N	N	0.00
	CA 93277	05/20/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/20/2019	125879			893.88

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-523.100	Office Equipment	893.88	0.00
Distribution Total		893.88	0.00

Vendor Total: 893.88

'6092	KING CITY INDUSTRIAL SUPPLY	05/31/2019		WFB	Towing Pin & Hitch.	
	132 LYNN STREET	05/31/2019		N		30.80
C IND	KING CITY,	04/25/2019		N	N	0.00
	CA 93930	04/25/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/25/2019	301815			30.80

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	City	Disc. Date	Req. No.	Use Description 1 On Check	Discount
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Net Amount
	Email Address	Inv. Date	Invoice No.		

GL Number	Account Name	Pay Amount	Relieve Amount
10-422-522.118	Small Tools & Equipment	30.80	0.00
Distribution Total		30.80	0.00

'6093	KING CITY INDUSTRIAL SUPPLY	05/31/2019		WFB	V-Belt for Head Gear.	
	132 LYNN STREET	05/31/2019		N		45.57
<C IND	KING CITY,	04/29/2019		N	N	0.00
	CA 93930	04/29/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/29/2019	301925			45.57

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-543.200	Equipment Repair & Maintenance	45.57	0.00
Distribution Total		45.57	0.00

Vendor Total: 76.37

'6064	LS DE LLC	05/31/2019		WFB	Monthly Phone Service	
<TEL	P O BOX 748613	05/31/2019		N		921.55
	LOS ANGELES	04/15/2019		N	N	0.00
	CA 90074-8613	04/15/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/15/2019	42863			921.55

GL Number	Account Name	Pay Amount	Relieve Amount
10-161-541.103	Telephone	921.55	0.00
Distribution Total		921.55	0.00

Vendor Total: 921.55

'6072	MBASIA	05/31/2019		WFB	Claim #MBA17-1028	
MBASIA	100 PINE STREET, 11TH FLOOR	05/31/2019		N		4,343.42
	SAN FRANCISCO	05/09/2019		N	N	0.00
	CA 94111	05/09/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/09/2019	Req#9			4,343.42

GL Number	Account Name	Pay Amount	Relieve Amount
10-264-555.102	Liability Claims (SIR)	4,343.42	0.00
Distribution Total		4,343.42	0.00

Vendor Total: 4,343.42

'6094	AUCENA MEDRANO	05/31/2019		WFB	Rec Center Security Deposit.	
MEDRANO	P O BOX 1504	05/31/2019		N		500.00
	KING CITY	05/28/2019		N	N	0.00
	CA 93930	05/28/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/28/2019	05282019			500.00

GL Number	Account Name	Pay Amount	Relieve Amount
71-000-204.103	Rental Deposits	500.00	0.00
Distribution Total		500.00	0.00

Vendor Total: 500.00

'6123	MONTEREY COUNTY DA	05/31/2019		WFB	Blood Alcohol	
MONTEREY	P O BOX 1131	05/31/2019		N		848.67
	SALINAS	01/28/2019		N	N	0.00
	CA 93902	01/28/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	01/28/2019	2017/2018			848.67

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	City	Disc. Date	Req. No.	Use Description 1 On Check	Discount
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Net Amount
	Email Address	Inv. Date	Invoice No.		

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-538.302	Lab Tests	848.67	0.00
Distribution Total		848.67	0.00

Vendor Total: 848.67

'6103	O'REILLY AUTOMOTIVE, INC.	05/31/2019		WFB	Battery Charger.	
	P.O. BOX 9464	05/31/2019		N		59.80
O'REILLY A	SPRINGFIELD	05/22/2019		N	N	0.00
	MO 65801-9464	05/22/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/22/2019	3133-161255			59.80

GL Number	Account Name	Pay Amount	Relieve Amount
10-321-543.301	Vehicles Repair & Maint	59.80	0.00
Distribution Total		59.80	0.00

'6140	O'REILLY AUTOMOTIVE, INC.	05/31/2019		WFB	Supplies for Police Dept.	
	P.O. BOX 9464	05/31/2019		N		9.55
O'REILLY A	SPRINGFIELD	05/07/2019		N	N	0.00
	MO 65801-9464	05/07/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/07/2019	3133-158758			9.55

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-543.100	Building Repairs	9.55	0.00
Distribution Total		9.55	0.00

'6143	O'REILLY AUTOMOTIVE, INC.	05/31/2019		WFB	Drain Plug for Sprayer on	
	P.O. BOX 9464	05/31/2019		N	Motor.	5.19
O'REILLY A	SPRINGFIELD	05/06/2019		N	N	0.00
	MO 65801-9464	05/06/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/06/2019	3133-158653			5.19

GL Number	Account Name	Pay Amount	Relieve Amount
22-423-543.200	Equipment Repair & Maintenance	5.19	0.00
Distribution Total		5.19	0.00

Vendor Total: 74.54

'6088	ORTIZ'S TREE SERVICE	05/31/2019		WFB	Tree Removal -	
	170 SUSSEX WAY	05/31/2019		N	3rd & Broadway.	500.00
ORTIZ'S TR	KING CITY	05/14/2019		N	N	0.00
	CA 93930	05/14/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/14/2019	50			500.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-425-556.000	Contract Services/Rentals	500.00	0.00
Distribution Total		500.00	0.00

Vendor Total: 500.00

'6091	PARTS & SERVICE CTR- NAPA, IN	05/31/2019		WFB	Belt for Lawn Edger.	
	316 SOUTH 1ST STREET	05/31/2019		N		19.32
PARTS & SE	KING CITY,	05/14/2019		N	N	0.00
	CA 93930	05/14/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/14/2019	591353			19.32

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-543.000	Repair & Maintenance	19.32	0.00

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	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discount
	Email Address	Inv. Date	Invoice No.			Net Amount

Distribution Total						19.32	0.00
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'6141	PARTS & SERVICE CTR- NAPA, IN	05/31/2019		WFB	Landscape Trailer		
	316 SOUTH 1ST STREET	05/31/2019		N			4.53
	KING CITY,	05/13/2019		N	N		0.00
	CA 93930	05/13/2019	0.00	N	0		0.00
	<Emailing Stub Disabled>	05/13/2019	591316				4.53

GL Number	Account Name	Pay Amount	Relieve Amount
10-426-543.000	Repair & Maintenance	4.53	0.00
Distribution Total		4.53	0.00

'6142	PARTS & SERVICE CTR- NAPA, IN	05/31/2019		WFB	Tow Lights		
	316 SOUTH 1ST STREET	05/31/2019		N			50.61
	KING CITY,	05/13/2019		N	N		0.00
	CA 93930	05/13/2019	0.00	N	0		0.00
	<Emailing Stub Disabled>	05/13/2019	591311				50.61

GL Number	Account Name	Pay Amount	Relieve Amount
10-422-543.200	Equipment Repair & Maintenance	50.61	0.00
Distribution Total		50.61	0.00

Vendor Total: 74.46

'6132	PG&E	05/31/2019		WFB	Electricity & Gas -		
	P.O. BOX 997300	05/31/2019		N	#3845488588-0		14,463.70
	SACRAMENTO	05/10/2019		N	N		0.00
	CA 95899-7300	05/10/2019	0.00	N	0		0.00
	<Emailing Stub Disabled>	05/10/2019	05102019				14,463.70

GL Number	Account Name	Pay Amount	Relieve Amount
10-161-541.102	Gas & Electricity	669.06	0.00
10-311-541.102	Gas & Electricity	1,013.31	0.00
10-321-541.102	Gas & Electricity	492.54	0.00
10-620-541.102	Gas & Electricity	1,504.58	0.00
22-427-541.102	Gas & Electricity	8,164.82	0.00
10-426-541.102	Gas & Electricity	599.98	0.00
10-430-541.102	Gas & Electricity	642.34	0.00
36-465-541.102	Gas & Electricity	264.00	0.00
10-621-541.102	Gas & Electricity	315.85	0.00
15-440-541.102	Gas & Electricity	481.71	0.00
18-412-541.102	Gas & Electricity	315.51	0.00
Distribution Total		14,463.70	0.00

Vendor Total: 14,463.70

'6065	PINNACLE HEALTHCARE	05/31/2019		WFB	Pre-Employment Physical.		
	1180 BROADWAY STREET	05/31/2019		N			195.00
	KING CITY	05/07/2019		N	N		0.00
	CA 93930	05/07/2019	0.00	Y	0		0.00
	<Emailing Stub Disabled>	05/07/2019	95160				195.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-538.301	Physical Exams	195.00	0.00
Distribution Total		195.00	0.00

Vendor Total: 195.00

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	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Net Amount
	Email Address	Inv. Date	Invoice No.		
	PURCHASE POWER*PITNEY BOV	05/31/2019	WFB	Postage	
	P.O. BOX 371874	05/31/2019	N	#8000-9000-0188-8241	35.78
76102	PITTSBURG	05/12/2019	N	N	0.00
PURCHASE F	PA 15250-7874	05/12/2019	0.00	N	0
	<Emailing Stub Disabled>	05/12/2019	05122019		35.78

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-521.101	Postage	35.78	0.00
Distribution Total		35.78	0.00

Vendor Total: 35.78

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
	ROSSI BROS TIRE & AUTO SERV	05/31/2019	WFB	Repair Tire on Loader.	
	820 PARK ROW #609	05/31/2019	N		1,121.31
76087	SALINAS	04/22/2019	N	N	0.00
ROSSI BROS	CA 93901	04/22/2019	0.00	Y	0
	<Emailing Stub Disabled>	04/22/2019	S1B543455		1,121.31

GL Number	Account Name	Pay Amount	Relieve Amount
10-422-543.000	Repair & Maintenance	1,121.31	0.00
Distribution Total		1,121.31	0.00

Vendor Total: 1,121.31

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
	SAFETY CENTER, INCORPORATE	05/31/2019	WFB	Traffic Control Safety	
	3909 BRADSHAW ROAD	05/31/2019	N	Course.	1,675.00
76160	SACRAMENTO	04/26/2019	N	N	0.00
SAFETYCTR	CA 95827	04/26/2019	0.00	N	0
	<Emailing Stub Disabled>	04/26/2019	78467		1,675.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-422-553.000	Training	1,675.00	0.00
Distribution Total		1,675.00	0.00

Vendor Total: 1,675.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
	SENTRY	05/31/2019	WFB	Alarm Monitoring	
	8 THOMAS OWENS WAY	05/31/2019	N		150.00
76066	MONTEREY	05/15/2019	N	N	0.00
SENTRY	CA 93940	05/15/2019	0.00	Y	0
	<Emailing Stub Disabled>	05/15/2019	2107105		150.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-523.100	Office Equipment	150.00	0.00
Distribution Total		150.00	0.00

Vendor Total: 150.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
	SO MO CO MEMORIAL HOSPITAL	05/31/2019	WFB	Blood Alcohol	
	300 CANAL STREET	05/31/2019	N		128.00
76097	KING CITY,	05/02/2019	N	N	0.00
GEORGE L M	CA 93930	05/02/2019	0.00	Y	0
	<Emailing Stub Disabled>	05/02/2019	05022019		128.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-538.302	Lab Tests	128.00	0.00
Distribution Total		128.00	0.00

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	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date		Discount
	Email Address	Inv. Date	Invoice No.			Net Amount

Vendor Total: 128.00

'6124	SOCIAL VOCATIONAL SERVICES	05/31/2019	WFB	Car Wash/Janitorial		1,030.00
	3555 TORRANCE BOULEVARD	05/31/2019	N			
	TORRANCE	04/30/2019	N	N		0.00
SVSCLIENT	CA 90503	04/30/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/30/2019	25D1906-IN			1,030.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-543.102	Janitorial Service	720.00	0.00
10-311-543.315	Auto Detail Service	310.00	0.00
Distribution Total		1,030.00	0.00

Vendor Total: 1,030.00

'6129	JESUS G. SOTO	05/31/2019	WFB	Umpire and Prep Fields.		
	110 SUSSEX WAY	05/31/2019	N	3/30 - 5/16/19		332.00
	KING CITY	05/16/2019	N	N		0.00
SOTOJE	CA 93930	05/16/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/16/2019	05162019			332.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-621-538.110	Sports Officials	332.00	0.00
Distribution Total		332.00	0.00

Vendor Total: 332.00

'6067	SPEAKWRITE BILLING DEPT	05/31/2019	WFB	March 2019 - GrpLEKCPD1		
	6011 WEST COURTYARD DRIVE	05/31/2019	N			201.30
	AUSTIN	04/01/2019	N	N		0.00
SPEAK	TX 78730	04/01/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	04/01/2019	76cf4a96			201.30

GL Number	Account Name	Pay Amount	Relieve Amount
13-312-533.000	Contract Services	201.30	0.00
Distribution Total		201.30	0.00

'6068	SPEAKWRITE BILLING DEPT	05/31/2019	WFB	April 2019		
	6011 WEST COURTYARD DRIVE	05/31/2019	N			223.59
	AUSTIN	05/01/2019	N	N		0.00
SPEAK	TX 78730	05/01/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/01/2019	f3f8a298			223.59

GL Number	Account Name	Pay Amount	Relieve Amount
13-312-533.000	Contract Services	223.59	0.00
Distribution Total		223.59	0.00

'6069	SPEAKWRITE BILLING DEPT	05/31/2019	WFB	February 2019		
	6011 WEST COURTYARD DRIVE	05/31/2019	N			121.86
	AUSTIN	03/01/2019	N	N		0.00
SPEAK	TX 78730	03/01/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	03/01/2019	bbc4d4a4			121.86

GL Number	Account Name	Pay Amount	Relieve Amount
13-312-533.000	Contract Services	121.86	0.00
Distribution Total		121.86	0.00

Vendor Total: 546.75

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Ref. No. Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
'6099 STALK	STALKER RADAR P O BOX 972943 DALLAS TX 75397-2943 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/16/2019 05/16/2019 05/16/2019		WFB N N N	Stalker SAM Trailer	8,998.75 0.00 0.00 8,998.75
			0.00 S232572			

GL Number	Account Name	Pay Amount	Relieve Amount
13-315-574.202	Police Vehicles	8,998.75	0.00
Distribution Total		8,998.75	0.00

Vendor Total: 8,998.75

'6121 STERI	STERICYCLE, INC P.O. BOX 6578 CAROL STREAM IL 60197-6578 <Emailing Stub Disabled>	05/31/2019 05/31/2019 06/01/2019 06/01/2019 06/01/2019		WFB N N N	Hazardous Waste - #6022321	117.00 0.00 0.00 117.00
			0.00 3004689886			

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-522.141	Evidence Supplies	117.00	0.00
Distribution Total		117.00	0.00

Vendor Total: 117.00

'6125 TORO	TORO PETROLEUM CORP. 308 W. MARKET ST. SALINAS CA 93901 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/15/2019 05/15/2019 05/15/2019		WFB N N N	Gasolini - #6835	1,830.98 0.00 0.00 1,830.98
			0.00 CL19357			

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-543.302	Gasoline	1,830.98	0.00
Distribution Total		1,830.98	0.00

Vendor Total: 1,830.98

'6118 J.S. BANCO	U.S. BANCORP EQUIPMENT FINA P.O. BOX 790448 ST LOUIS MO 63179-0448 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/10/2019 05/10/2019 05/10/2019		WFB N Y N	Copier Contract - #1152697	278.42 0.00 0.00 278.42
			0.00 384915336			

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-543.201	Copier Maintenance	278.42	0.00
Distribution Total		278.42	0.00

Vendor Total: 278.42

'6071 J.S. BAN	U.S. BANK CORP PAYMENT SYST P.O. BOX 790428 ST. LOUIS MO 63179-0428 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/06/2019 05/06/2019 05/06/2019		WFB N N N	Various Charges - #6938	782.93 0.00 0.00 782.93
			0.00 05062019AW			

GL Number	Account Name	Pay Amount	Relieve Amount
10-621-522.000	Operating Supplies	15.05	0.00
10-621-522.000	Operating Supplies	5.30	0.00
10-620-522.000	Operating Supplies	13.99	0.00
10-620-522.000	Operating Supplies	126.14	0.00

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Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Taxes Withheld
	City	Disc. Date	Sep. Ck.?	Use Description 1 On Check	Discount
	State/Province Zip/Postal	Due Date	1099?	Hand Check Number/Date	Net Amount
	Email Address	Inv. Date	Invoice No.		
	10-620-553.000	Training			150.00
	10-620-553.000	Training			228.00
	10-621-522.000	Operating Supplies			129.41
	10-620-522.000	Operating Supplies			115.04
	Distribution Total				782.93

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
	U.S. BANK CORP PAYMENT SYST	05/31/2019	WFB	Various Charges - #8380	
	P.O. BOX 790428	05/31/2019	N		169.56
'6076	ST. LOUIS	05/06/2019	N	N	0.00
J.S. BAN	MO 63179-0428	05/06/2019	N	0	0.00
	<Emailing Stub Disabled>	05/06/2019		05062019SA	<u>169.56</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-111-535.107	Community Promotion	1.35	0.00
10-121-523.000	Computers & Printers	14.99	0.00
10-121-551.000	Conference, Travel & Meals	41.51	0.00
10-121-522.131	Recruitment Expenses	3.10	0.00
10-121-522.131	Recruitment Expenses	93.62	0.00
10-121-523.000	Computers & Printers	14.99	0.00
Distribution Total		169.56	0.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
	U.S. BANK CORP PAYMENT SYST	05/31/2019	WFB	CC Charges - #3482	
	P.O. BOX 790428	05/31/2019	N		116.23
'6085	ST. LOUIS	05/06/2019	N	N	0.00
J.S. BAN	MO 63179-0428	05/06/2019	N	0	0.00
	<Emailing Stub Disabled>	05/06/2019		05062019MO	<u>116.23</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-321-522.000	Operating Supplies	116.23	0.00
Distribution Total		116.23	0.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
	U.S. BANK CORP PAYMENT SYST	05/31/2019	WFB	MMANC Summit Charges.	
	P.O. BOX 790428	05/31/2019	N	#8073	135.00
'6095	ST. LOUIS	05/06/2019	N	N	0.00
J.S. BAN	MO 63179-0428	05/06/2019	N	0	0.00
	<Emailing Stub Disabled>	05/06/2019		05062019MA	<u>135.00</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-241-553.000	Training	135.00	0.00
Distribution Total		135.00	0.00

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
	U.S. BANK CORP PAYMENT SYST	05/31/2019	WFB	Various Charges - #4772	
	P.O. BOX 790428	05/31/2019	N	(R Masterson)	5,233.76
'6133	ST. LOUIS	04/08/2019	N	N	0.00
J.S. BAN	MO 63179-0428	04/08/2019	N	0	0.00
	<Emailing Stub Disabled>	04/08/2019		04082019RM	<u>5,233.76</u>

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-551.000	Conference, Travel & Meals	218.60	0.00
10-311-551.000	Conference, Travel & Meals	218.60	0.00
10-311-538.000	Professional Services	90.85	0.00
10-311-543.222	Generator Maint Agreement	33.99	0.00
10-311-553.000	Training	600.00	0.00
10-311-553.000	Training	1,500.00	0.00
10-311-538.000	Professional Services	15.80	0.00
10-311-538.000	Professional Services	15.80	0.00
10-311-522.109	Uniforms	30.51	0.00
10-311-554.000	Printing & Publishing	0.99	0.00
10-311-538.000	Professional Services	15.80	0.00
10-311-551.000	Conference, Travel & Meals	596.90	0.00
10-311-538.000	Professional Services	142.20	0.00

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KING CITY CITY HALL

Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Taxes Withheld
	City	Disc. Date	Req. No.	Use Description 1 On Check	Discount
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Net Amount
	Email Address	Inv. Date	Invoice No.		

10-311-558.315	Special Investigations				32.97	0.00
10-311-551.000	Conference, Travel & Meals				535.20	0.00
10-311-538.000	Professional Services				19.75	0.00
10-311-538.000	Professional Services				221.20	0.00
10-311-551.000	Conference, Travel & Meals				944.60	0.00
Distribution Total					5,233.76	0.00

Vendor Total: 6,437.48

'6100	VALLEY INDUSTRIAL & FAMILY	05/31/2019		WFB	Dillon - Preemployment Physica	
	225 S CHINOWTH RD	05/31/2019		N		475.00
/I FAM MED	VISALIA	05/14/2019		N	N	0.00
	CA 93291	05/14/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/14/2019	374949			475.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-538.301	Physical Exams	475.00	0.00
Distribution Total		475.00	0.00

Vendor Total: 475.00

'6119	VERIZON WIRELESS	05/31/2019		WFB	Cell Phones -	
	P.O. BOX 660108	05/31/2019		N	#316524625-00001	181.20
/ERIZON WI	DALLAS	05/12/2019		N	N	0.00
	TX 75266-0108	05/12/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/12/2019	9830016443			181.20

GL Number	Account Name	Pay Amount	Relieve Amount
10-121-541.108	Cellular Telephone	41.50	0.00
10-161-541.108	Cellular Telephone	0.18	0.00
10-321-541.108	Cellular Telephone	26.33	0.00
10-422-541.108	Cellular Telephone	87.82	0.00
10-621-541.108	Cellular Telephone	25.37	0.00
Distribution Total		181.20	0.00

'6120	VERIZON WIRELESS	05/31/2019		WFB	Cell Phones -	
	P.O. BOX 660108	05/31/2019		N	#842068026-00001	966.69
/ERIZON WI	DALLAS	05/15/2019		N	N	0.00
	TX 75266-0108	05/15/2019	0.00	N	0	0.00
	<Emailing Stub Disabled>	05/15/2019	9830241400			966.69

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-541.108	Cellular Telephone	966.69	0.00
Distribution Total		966.69	0.00

Vendor Total: 1,147.89

6058	WESLEY BEEBE ARCHITECTURE	05/31/2019		WFB	Design Plans for PD Lobby	
	P.O. BOX 1743	05/31/2019		N	Project. - (Partial Pmt)	2,000.00
VESLEY BEE	KING CITY	05/01/2019		N	N	0.00
	CA 93930	05/01/2019	0.00	Y	0	0.00
	<Emailing Stub Disabled>	05/01/2019	19130			2,000.00

GL Number	Account Name	Pay Amount	Relieve Amount
10-311-543.100	Building Repairs	2,000.00	0.00
Distribution Total		2,000.00	0.00

Vendor Total: 2,000.00

Edit List of Invoices - Detail w/GL

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Ref. No.	Vendor Name	Post Date	Bank	Invoice Description Line 2	Gross Amount
Vendor No.	Vendor Address	Pay. Date	Hold?	Invoice Description Line 2	Taxes Withheld
	City	Disc. Date	Req. No.	Use Description 1 On Check	Discount
	State/Province Zip/Postal	Due Date	Disc. %	Hand Check Number/Date	Net Amount
	Email Address	Inv. Date	Invoice No.		
	ZETX, INC	05/31/2019	WFB	Trax System.	
	1900 W CHANDLER BLVD	05/31/2019	N	5/15 /19 - 5/14/2020	1,750.00
'6122	CHANDLER	05/14/2019	N	N	0.00
ZETX	AZ 85224	05/14/2019	0.00	N	0.00
	<Emailing Stub Disabled>	05/14/2019	CA19.0270500		1,750.00

GL Number	Account Name	Pay Amount	Relieve Amount
13-312-533.000	Contract Services	1,750.00	0.00
Distribution Total		1,750.00	0.00
	Vendor Total:		1,750.00

Total Invoices: 108

Grand Total:	105,875.89
Less Credit Memos:	-110.53
Net Total:	105,765.36
Less Hand Check Total:	0.00
Outstanding Invoice Total:	105,765.36



Item No. 9(C)

REPORT TO THE PUBLIC FINANCING AUTHORITY

DATE: JUNE 11, 2019

TO: HONORABLE CHAIR AND MEMBERS OF THE AUTHORITY

FROM: MIKE HOWARD, FINANCE DIRECTOR

RE: CONSIDERATION OF PUBLIC FINANCING AUTHORITY MAY 31, 2019 INVOICES PAID

RECOMMENDATION:

It is recommended the City Council acting as the Public Finance Authority Board receive and file.

BACKGROUND:

At least once a month, the City Treasurer shall submit to the City Council, a copy of the invoices paid for the previous month.

DISCUSSION:

The purpose of this item is to provide the Council an opportunity to review and monitor ongoing expenditures. These documents for the Public Financing Authority are attached.

COST ANALYSIS:

There is no fiscal impact as a result of this action.

ENVIRONMENTAL REVIEW:

No Environmental Review required for this item.

ALTERNATIVES:

The following alternatives are provided for Council consideration:

1. Receive and file the report; or
2. Provide other direction to staff regarding requests for additional information.

**CITY COUNCIL/PUBLIC FINANCING AUTHORITY
CONSIDERATION OF PUBLIC FINANCING AUTHORITY MAY 31, 2019 PAID
INVOICES
JUNE 11, 2019
PAGE 2 OF 2**

Exhibits:

1. Edit List of Invoices – Detail W/GL

Submitted by:



Mike Howard, Finance Director

Approved by:



Steven Adams, Secretary

Edit List of Invoices - Detail w/GL

May 31, 2019 (FY 2018-19)PFA

Date: 05/31/2019

Time: 12:03 pm

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NG CITY CITY HALL

Vendor No.	Vendor Name Vendor Address City State/Province Zip/Postal Email Address	Post Date Pay. Date Disc. Date Due Date Inv. Date	PO Number Req. No. Disc. % Invoice No.	Bank Hold? Sep. Ck.? 1099?	Invoice Description Line 2 Invoice Description Line 2 Use Description 1 On Check Hand Check Number/Date	Gross Amount Taxes Withheld Discount Net Amount
165	WELLS FARGO BANK P.O. BOX 856470 MINNEAPOLIS MN 55485-6470 <Emailing Stub Disabled>	05/31/2019 05/31/2019 05/10/2019 05/10/2019 05/10/2019		KCFIN N N N	Bond Admin Fees #23463600 N 0	2,000.00 0.00 0.00 2,000.00

GL Number	Account Name	Pay Amount	Relieve Amount
68-000-533.000	Contract Services	2,000.00	0.00
Distribution Total		2,000.00	0.00

Vendor Total: 2,000.00

Grand Total: 2,000.00

Less Credit Memos: 0.00

Net Total: 2,000.00

Less Hand Check Total: 0.00

Outstanding Invoice Total: 2,000.00

Total Invoices: 1



Item No. 9(D)

REPORT TO THE CITY COUNCIL

DATE: JUNE 11, 2019
TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: MIKE HOWARD, FINANCE DIRECTOR
RE: CONSIDERATION OF CITY OF KING KCCP PAYMENTS THROUGH MAY 28, 2019

RECOMMENDATION:

It is recommended City Council receive and file.

BACKGROUND:

At least once a month, the City Treasurer shall submit to the City Council, a copy of the invoices paid for the previous month.

DISCUSSION:

The purpose of this item is to provide the Council an opportunity to review and monitor ongoing expenditures. These documents are attached.

COST ANALYSIS:

There is no fiscal impact as a result of this action.

ENVIRONMENTAL REVIEW:

No Environmental Review required for this item.

ALTERNATIVES:

The following alternatives are provided for Council consideration:

1. Receive and file the report; or
2. Provide other direction to staff regarding requests for additional information.

**CITY COUNCIL
CONSIDERATION OF CITY OF KING KCCP PAYMENTS THROUGH MAY 28,
2018
JUNE 11, 2019
PAGE 2 OF 2**

Exhibits:

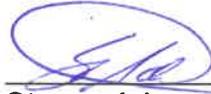
1. Listing of ACH payments

Submitted by:



Mike Howard, Finance Director

Approved by:



Steven Adams, City Manager

City of King

King City Community Power

ACH Payments through Pilot Power

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
5/21/2019	California ISO	Purchase Power from Grid	\$ (37,284.03)
5/28/2019	California ISO	Purchase Power from Grid	\$ 1,884.10

\$ (35,399.93)



Item No. 9(E)

REPORT TO THE CITY COUNCIL

DATE: JUNE 11, 2019

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: STEVEN ADAMS, CITY MANAGER

RE: CONSIDERATION OF LEASE PURCHASE AGREEMENT FOR CITY COMPUTERS AND SOFTWARE

RECOMMENDATION:

It is recommended the City Council adopt a Resolution approving and authorizing the City Manager to execute a Lease Purchase Agreement with Alvarez Technology Group for acquisition of computers and software; and 2) authorize the City Manager to make non-substantive changes to the Agreement as necessary in a form approved by the City Attorney.

BACKGROUND:

Most of the City's computers are old and utilize outdated operating software. Microsoft announced they will no longer support Windows 7 as of January 2020. This means no security updates or patches will be released after that time, which will put the City's network at a significant security risk. As a result, the computers need to have Windows 10 installed. However, due to the age of many of the computers, it is more cost effective for them to be replaced with the new operating system rather than trying to retrofit the older ones. The City's IT provider has also indicated that retrofitting older computers with Windows 10 also will likely create compatibility issues.

DISCUSSION:

Staff is recommending the equipment be purchased through a lease-purchase agreement for two primary reasons. First, it will enable the City to afford acquiring all the equipment needed at the same time. Second, since replacement and upgrade of computers and software is an ongoing need, it will enable the City to establish an annual ongoing cost that is consistent in each budget. This makes it easier to plan for and fund on an ongoing basis.

**CITY COUNCIL
CONSIDERATION OF LEASE PURCHASE AGREEMENT FOR CITY
COMPUTERS AND SOFTWARE
JUNE 11, 2019
PAGE 2 OF 2**

Alvarez Technology Group, the City's IT provider, has solicited bids for the computers and financing and has recommended the Great America Financial Services. Therefore, the lease will be with Alvarez Technology Group through Great America Financial Services. The purchase will include 13 computers and 12 monitors in the Police Department and 16 computers and 1 laptop for the other departments.

COST ANALYSIS:

The total cost of the purchase is \$62,286.36. It will result in monthly lease payments of \$1,315.49 and a term of 60 months.

ENVIRONMENTAL REVIEW:

The Resolution is not a "project" for the purposes of the California Environmental Quality Act (CEQA) as it does not have the potential for resulting in either a direct physical change to the environment or a reasonably foreseeable indirect physical change in the environment. No further action is required under CEQA for City Council action.

ALTERNATIVES:

The following alternatives are provided for Council consideration:

1. Adopt the Resolution;
2. Modify and adopt the Resolution;
3. Direct staff to reduce the costs by minimizing the number of computers replaced to only those most essential;
4. Do not approve the purchase of new computers; or
5. Provide other direction to staff.

Approved by: _____


Steven Adams, City Manager

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KING AUTHORIZING THE CITY MANAGER TO EXECUTE DOCUMENTS FOR LEASE PURCHASE AGREEMENT

WHEREAS, the City needs to update its computer and software system in order to maintain functionality and security; and

WHEREAS, the City's IT contractor has developed recommendations and solicited bids for equipment and financing; and

WHEREAS, the City Council desires to purchase the computer equipment and software through a lease purchase agreement in order to reduce the immediate budget impact and to establish a more efficient ongoing funding mechanism; and

WHEREAS, the City is proposing to purchase 30 new computers, 12 new monitors, and upgrade its system to the Windows 10 operating system; and

WHEREAS, the City desires to execute a lease purchase agreement with Alvarez Technology Group to finance purchase of the computer equipment and software.

NOW THEREFORE, BE IT RESOLVED THAT the City Council of the City of King authorizes the City Manager to execute the Lease Purchase Agreement attached hereto as Exhibit A and other related documents with Alvarez Technology Group for purchase of computer equipment and software and to make non-substantive changes as necessary in a form approved by the City Attorney.

PASSED AND ADOPTED at a regular meeting of the City Council on the 11th day of June, 2019, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Mike LeBarre, Mayor

ATTEST:

Steven Adams, City Clerk

APPROVED AS TO FORM:

Roy Santos, City Attorney

AGREEMENT



AGREEMENT NO: **1467623**

CUSTOMER ("YOU" OR "YOUR")

FULL LEGAL NAME: **King City, City of**
 ADDRESS: **212 S Vanderhurst Ave King City, CA 93930-2922**

EQUIPMENT AND PAYMENT TERMS

TYPE, MAKE, MODEL NUMBER, SERIAL NUMBER, AND INCLUDED ACCESSORIES SEE ATTACHED SCHEDULE

14 HP Business Desktop ProDesk 400 G5 Desktop Computer 13 HP 8GB DDR4 SDRAM Memory Module

14 HP Care Pack - 5 Year - Warranty

2 HP Business Desktop ProDesk 600 G4 Desktop Computer

2 HP Care Pack - 5 Year - Warranty

1 HP 250 G7 15.6" LCD Notebook

1 HP Care Pack Hardware Support with Defective Media Retention

13 HP Business Desktop ProDesk 600 G4 Desktop Computer

12 Viewsonic VX2257-mhd 22" LED LCD Monitor

12 StarTech.com 6 ft Certified DisplayPort 1.2 Cable with Latches M/M

13 HP Care Pack - 5 Year - Warranty

EQUIPMENT LOCATION: **As Stated Above**

TERM IN MONTHS: **60** MONTHLY PAYMENT AMOUNT: **\$1,315.49** (*PLUS TAX) PURCHASE OPTION*: **\$1.00**

CONTRACT

THIS AGREEMENT IS NON-CANCELABLE AND IRREVOCABLE. IT CANNOT BE TERMINATED. PLEASE READ CAREFULLY BEFORE SIGNING. YOU AGREE THAT THIS AGREEMENT AND ANY CLAIM RELATED TO THIS AGREEMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE IN WHICH OUR (OR, IF WE ASSIGN THIS AGREEMENT, OUR ASSIGNEE'S) PRINCIPAL PLACE OF BUSINESS IS LOCATED AND ANY DISPUTE CONCERNING THIS AGREEMENT WILL BE ADJUDICATED IN A FEDERAL OR STATE COURT IN SUCH STATE. YOU HEREBY CONSENT TO PERSONAL JURISDICTION AND VENUE IN SUCH COURTS AND WAIVE TRANSFER OF VENUE. EACH PARTY WAIVES ANY RIGHT TO A JURY TRIAL.

CUSTOMER'S AUTHORIZED SIGNATURE

BY SIGNING THIS PAGE, YOU REPRESENT TO US THAT YOU HAVE RECEIVED AND READ THE ADDITIONAL TERMS AND CONDITIONS APPEARING ON THE SECOND PAGE OF THIS TWO-PAGE AGREEMENT. THIS AGREEMENT IS BINDING UPON OUR ACCEPTANCE HEREOF.

(As Stated Above) X
 CUSTOMER SIGNATURE PRINT NAME & TITLE DATE

GOVERNMENTAL CERTIFICATE

I, THE UNDERSIGNED, HEREBY CERTIFY THAT, AS OF THE DATE OF THE AGREEMENT, (A) THE INDIVIDUAL WHO EXECUTED THE AGREEMENT HAD FULL POWER AND AUTHORITY TO EXECUTE THE AGREEMENT AND (B) THE REPRESENTATIONS SET FORTH IN THE AGREEMENT IN THE PARAGRAPH TITLED "APPLICABLE TO GOVERNMENTAL ENTITIES ONLY" ARE TRUE AND ACCURATE IN ALL MATERIAL RESPECTS.

SIGNATURE: X NAME & TITLE: DATE:

LESSOR ("WE", "US", "OUR")

Alvarez Technology Group
 LESSOR SIGNATURE PRINT NAME & TITLE DATE
 209 Pajaro St Ste A Salinas, CA 93901-3419

ADDITIONAL TERMS AND CONDITIONS

AGREEMENT. You want us to now provide you the equipment and/or software referenced herein ("Equipment") and you unconditionally agree to pay us the amounts payable under the terms of this agreement ("Agreement") each period by the due date. This Agreement will begin on the date the Equipment is delivered to you or any later date we designate. We may charge you a one-time origination fee of \$89.50. If any amount payable to us is past due, you will pay a late charge equal to: 1) the greater of ten (10) cents for each dollar overdue or twenty-six dollars (\$26.00); or 2) the highest lawful charge, if less.

NET AGREEMENT. THIS AGREEMENT IS NON-CANCELABLE FOR THE ENTIRE AGREEMENT TERM. YOU AGREE THAT YOU ARE UNCONDITIONALLY OBLIGATED TO PAY ALL AMOUNTS DUE UNDER THIS AGREEMENT FOR THE ENTIRE TERM. YOU ARE NOT ENTITLED TO REDUCE OR SET-OFF AGAINST AMOUNTS DUE UNDER THIS AGREEMENT FOR ANY REASON.

EQUIPMENT USE. You will keep the Equipment in good working order, use it for business purposes only and not modify or move it from its initial location without our consent. You agree that you will not take the Equipment out of service and have a third party pay (or provide funds to pay) the amounts due hereunder. You will comply with all laws, ordinances, regulations, requirements and rules relating to the use and operation of the Equipment.

SERVICES/SUPPLIES. If we have entered into a separate arrangement with you for maintenance, service, supplies, etc. with respect to the Equipment, payments under this Agreement may include amounts owed under that arrangement, which amounts may be invoiced as one payment for your convenience. You agree that you will look solely to us for performance under any such arrangement and for the delivery of any applicable supplies.

SOFTWARE/DATA. Except as provided in this paragraph, references to "Equipment" include any software referenced above or installed on the Equipment. We do not own the software and cannot transfer any interest in it to you. We are not responsible for the software or the obligations of you or the licensor under any license agreement. You are solely responsible for protecting and removing any confidential data/images stored on the Equipment prior to its return for any reason.

LIMITATION OF WARRANTIES. EXCEPT TO THE EXTENT THAT WE HAVE PROVIDED YOU A WARRANTY IN WRITING, WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. YOU CHOSE ANY/ALL THIRD-PARTY SERVICE PROVIDERS BASED ON YOUR JUDGMENT. YOU MAY CONTACT US OR THE MANUFACTURER FOR A STATEMENT OF THE WARRANTIES, IF ANY, THAT THE MANUFACTURER IS PROVIDING. WE ASSIGN TO YOU ANY WARRANTIES GIVEN TO US.

ASSIGNMENT. You may not sell, assign, or sublease the Equipment or this Agreement without our written consent. We may sell or assign this Agreement and our rights in the Equipment, in whole or in part, to a third party without notice to you. You agree that if we do so, our assignee will have our assigned rights under this Agreement but none of our obligations and will not be subject to any claim, defense, or set-off that may be assertable against us or anyone else.

LOSS OR DAMAGE. You are responsible for any damage to or loss of the Equipment. No such loss or damage will relieve you from your payment obligations hereunder. Except for claims, losses, or damages caused by our gross negligence or willful misconduct, you agree to indemnify us and our assignee, if applicable, against any claims, losses, or damages, including attorney fees, in any way relating to the Equipment or data stored on it. In no event will we be liable for any consequential or indirect damages.

INSURANCE. You agree to maintain commercial general liability insurance acceptable to us. You also agree to: 1) keep the Equipment fully insured against loss at its replacement cost, with us named as loss payee; and 2) provide proof of insurance satisfactory to us no later than 30 days following the commencement of this Agreement, and thereafter upon our written request. If you fail to maintain property loss insurance satisfactory to us and/or you fail to timely provide proof of such insurance, we have the option, but not the obligation, to secure property loss insurance on the Equipment from a carrier of our choosing in such forms and amounts as we deem reasonable to protect our interests. If we secure insurance on the Equipment, we will not name you as an insured party, your interests may not be fully protected, and you will reimburse us the premium which may be higher than the premium you would pay if you obtained insurance, and which may result in a profit to us through an investment in reinsurance. If you are current in all of your obligations under the Agreement at the time of loss, any insurance proceeds received will be applied, at our option, to repair or replace the Equipment, or to pay us the remaining payments due or to become due under this Agreement, plus our booked residual, both discounted at 3% per annum.

OWNERSHIP. You own the Equipment, including any software license rights granted to you, if any, by us or any third party supplier(s). You hereby grant us a security interest in the Equipment to secure your performance under this Agreement, to be released at the end of the term provided you have performed all of your obligations under this Agreement.

TAXES. You will pay when due, either directly or by reimbursing us, all taxes and fees relating to the Equipment and this Agreement. You agree to file any required personal property tax returns. Sales or use tax due upfront will be payable over the term with a finance charge.

DEFAULT/REMEDIES. If a payment becomes 10+ days past due, or if you otherwise breach this Agreement, you will be in default, and we may require that you return the Equipment to us at your expense and pay us: 1) all past due amounts and 2) all remaining payments for the unexpired term, plus our booked residual, discounted at 3% per annum; and we may disable or repossess the Equipment and use all other legal remedies available to us. You agree to pay all costs and expenses (including reasonable attorney fees) we incur in any dispute with you related to this Agreement. You agree to pay us 1.5% interest per month on all past due amounts.

UCC. If we assign rights in this Agreement for financing purposes, you agree that this Agreement, in the hands of our assignee, is, or shall be treated as, a "Finance Lease" as that term is defined in Article 2A of the Uniform Commercial Code ("UCC"). You agree to forgo the rights and remedies provided under sections 507-522 of Article 2A of the UCC.

MISCELLANEOUS. This Agreement is the entire agreement between you and us relating to our providing and your use of the Equipment and supersedes any prior representations or agreements, including any purchase orders. Amounts payable under this Agreement may include a profit to us. The parties agree that the original hereof for enforcement and perfection purposes, and the sole "record" constituting "chattel paper" under the UCC, is the paper copy hereof bearing (i) the original or a copy of either your manual signature or an electronically applied indication of your intent to enter into this Agreement, and (ii) our original manual signature. If a court finds any provision of this Agreement unenforceable, the remaining terms of this Agreement shall remain in effect. You authorize us to either insert or correct the Agreement number, serial numbers, model numbers, beginning date, and signature date. All other modifications to the Agreement must be in writing signed by each party.

APPLICABLE TO GOVERNMENTAL ENTITIES ONLY

You hereby represent and warrant to us that as of the date of the Agreement: (a) the individual who executed the Agreement had full power and authority to execute the Agreement on your behalf; (b) all required procedures necessary to make the Agreement a legal and binding obligation against you have been followed; (c) the Equipment will be operated and controlled by you and will be used for essential government purposes for the entire term of the Agreement; (d) that all payments due and payable for the current fiscal year are within the current budget and are within an available, unexhausted, and unencumbered appropriation; (e) you intend to pay all amounts payable under the terms of the Agreement when due, if funds are legally available to do so; (f) your obligations to remit amounts under the Agreement constitute a current expense and not a debt under applicable state law; (g) no provision of the Agreement constitutes a pledge of your tax or general revenues; and (h) you will comply with any applicable information reporting requirements of the tax code, which may include 8038-G or 8038-GC Information Returns. If funds are not appropriated to pay amounts due under the Agreement for any future fiscal period, you shall have the right to return the Equipment and terminate the Agreement on the last day of the fiscal period for which funds were available, without penalty or additional expense to you (other than the expense of returning the Equipment to the location designated by us), provided that at least thirty (30) days prior to the start of the fiscal period for which funds were not appropriated, your Chief Executive Officer (or Legal Counsel) delivers to us a certificate (or opinion) certifying that (a) you are a state or a fully constituted political subdivision or agency of the state in which you are located; (b) funds have not been appropriated for the applicable fiscal period to pay amounts due under the Agreement; (c) such non-appropriation did not result from any act or failure to act by you; and (d) you have exhausted all funds legally available for the payment of amounts due under the Agreement. You agree that this paragraph shall only apply if, and to the extent that, state law precludes you from entering into the Agreement if the Agreement constitutes a multi-year unconditional payment obligation.



Item No. 9(F)

REPORT TO THE CITY COUNCIL

DATE: JUNE 11, 2019

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: STEVEN ADAMS, CITY MANAGER

RE: CONSIDERATION OF RESOLUTION ESTABLISHING TERMS FOR THE BUDGET ADVISORY COMMITTEE

RECOMMENDATION:

It is recommended the City Council adopt a Resolution establishing terms for the Budget Advisory Committee.

BACKGROUND:

Measure K, the Local Sales Tax Measure, was approved by the voters in November 2018 and requires planned local sales tax expenditures be reviewed by a community budget advisory committee. The scope of the committee was expanded to an overall budget advisory committee from the local sales tax advisory committee required under the original local sales tax measure adopted in November 2014. This was done because local sales tax revenues are part of the General Fund. Therefore, it was difficult to segment these expenditures and is more effective to review local sales tax expenditures in the context of the overall budget.

The Local Sales Tax Advisory Committee served as the Budget Advisory Committee to review the proposed FY 2019-20/ FY 2020-21 Biennial Budget. A number of the members have agreed to continue to serve. It is recommended that specific terms be established by Resolution in order to provide an ongoing process for reviewing and filling vacancies.

DISCUSSION:

The terms are proposed to be established consistent with those established for the City's commissions. Vacancies will also be filled through the same process. There is currently one vacancy. It is proposed the Budget Advisory Committee

**CITY COUNCIL
CONSIDERATION OF RESOLUTION ESTABLISHING TERMS FOR THE
BUDGET ADVISORY COMMITTEE
JUNE 11, 2019
PAGE 2 OF 2**

meet a minimum of twice per year, once before the mid-year budget review and once prior to the proposed biennial budget or budget adjustments in years that fall in the middle of a biennial budget.

The terms proposed for existing members include the following:

Domingo Uribe - 4 years	March 31, 2023
Peter Anderson - 4 years	March 31, 2023
Ed Kleber - 4 years	March 31, 2023
Oscar Avalos - 2 years	March 31, 2021
Vacant – 2 years	March 31, 2021

COST ANALYSIS:

There is no cost associate with this item.

ENVIRONMENTAL REVIEW:

The Resolution is not a “project” for the purposes of the California Environmental Quality Act (CEQA) as it does not have the potential for resulting in either a direct physical change to the environment or a reasonably foreseeable indirect physical change in the environment. No further action is required under CEQA for City Council action.

ALTERNATIVES:

The following alternatives are provided for Council consideration:

1. Adopt the Resolution;
2. Modify and adopt the Resolution;
3. Direct staff to propose an alternate process for appointment of members to the Budget Advisory Committee; or
4. Provide other direction to staff.

Approved by:



Steven Adams, City Manager

RESOLUTION NO.

A RESOLUTION OF CITY COUNCIL OF CITY OF KING, CALIFORNIA ESTABLISHING STAGERRED TERMS FOR THE BUDGET ADVISORY COMMITTEE MEMBERS

WHEREAS, consistent with the State Law, City of King Municipal Code and City Charter, City Council has the authority to appoint Budget Advisory Committee Members for the City of King; and

WHEREAS, the City Council desires to maintain a Budget Advisory Committee to advise the City Council on adoption and the Biennial Budget, as well as ongoing adjustments, in order to comply with requirements of Measure K, the November 2018 Local Sales Tax Measure; and

WHEREAS, the Budget Advisory Committee has been initially composed of members of the former Local Sales Tax Committee; and

WHEREAS, in order to have successful recruitment, continuation of service and planned succession on the Budget Advisory Committee, it is preferred that the terms of service are staggered; and

WHEREAS, the Budget Advisory Committee will be appointed by the City Council and will meet a minimum of twice annually to review the status and recommendations for the City's budget.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of King, California that the following Budget Advisory Committee Members are hereby reappointed and will serve their terms based on the following schedule:

<u>Budget Committee Member</u>	<u>Terms - Expiration Dates</u>
Domingo Uribe - 4 years	March 31, 2023
Peter Anderson - 4 years	March 31, 2023
Ed Kleber - 4 years	March 31, 2023
Oscar Avalos - 2 years	March 31, 2021
Vacant – 2 years	March 31, 2021

PASSED AND ADOPTED at a regular meeting of the City Council on the 11th day of June, 2019, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Mike LeBarre, Mayor

ATTEST:

Steven Adams, City Clerk

APPROVED AS TO FORM:

Roy Santos, City Attorney



Item No. 9(G)

REPORT TO THE CITY COUNCIL

DATE: JUNE 11, 2019

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: STEVEN ADAMS, CITY MANAGER

**RE: CONSIDERATION OF RESOLUTION IN SUPPORT OF THE
MONTEREY COUNTY 2020 CENSUS COMPLETE COUNT
COMMITTEE**

RECOMMENDATION:

It is recommended the City Council adopt a Resolution in support of the Monterey County 2020 Census Complete Count Committee.

BACKGROUND:

The City Council recently received a presentation on the 2020 Census. The U.S. Census Bureau is required by Article 1, Section 2 of the U.S. Constitution to conduct an accurate count of the nation's population every ten years. April 1, 2020 is Census Day.

Outreach efforts are under way to help reach and connect with all people living in Monterey County to participate in the Census. The data is used to guide the distribution of funds for important programs, such as housing, health, transportation, education, energy assistance, etc. Therefore, it is critical that everyone in the community be counted in order to maximize funding to assist King City residents.

DISCUSSION:

Monterey County has formed a Complete Count Committee, which brings together a cross section of community members who utilize their local knowledge and expertise to reach out to all persons in the community. It is particularly important in King City, which has a sizeable population that tends to be undercounted because of distrust in how the data may be used. As a result, public education and outreach are vital. The City has dedicated staff to

**CITY COUNCIL
CONSIDERATION OF RESOLUTION IN SUPPORT OF THE MONTEREY
COUNTY 2020 CENSUS COMPLETE COUNT COMMITTEE
JUNE 11, 2019
PAGE 2 OF 2**

participate in this effort. Attached is a Resolution formally establishing the City of King's support for the Complete Count Committee.

COST ANALYSIS:

Staff costs are not yet fully known, but staff believes it is important given that the one-time effort will determine various funding calculations for the next 10-year period. The City is reimbursed \$7,500 for its participation, which will cover some of the costs.

ENVIRONMENTAL REVIEW:

The Resolution is not a "project" for the purposes of the California Environmental Quality Act (CEQA) as it does not have the potential for resulting in either a direct physical change to the environment or a reasonably foreseeable indirect physical change in the environment. No further action is required under CEQA for City Council action.

ALTERNATIVES:

The following alternatives are provided for Council consideration:

1. Adopt the Resolution;
2. Modify and adopt the Resolution;
3. Do not adopt the Resolution and direct staff to not participation in the Census Complete Count Committee; or
4. Provide other direction to staff.

Approved by:



Steven Adams, City Manager

RESOLUTION NO. _____

A RESOLUTION OF CITY COUNCIL OF CITY OF KING, CALIFORNIA IN SUPPORT OF THE MONTEREY COUNTY 2020 CENSUS COMPLETE COUNT COMMITTEE

WHEREAS, the U.S. Census Bureau is required by Article I, Section 2 of the U.S. Constitution to conduct an accurate count of the nation's population every ten years; and

WHEREAS, a significant amount of outreach is required in order to achieve full participation in the 2020 U.S. Census, especially in King City, where 30.4% of residents fall within Monterey County's "Hard-to-Count" population; and

WHEREAS, federal and state funding is allocated to communities and decisions are made on matters of national, state and local importance based, in part, on census data; and

WHEREAS, information from the 2020 Census is a vital tool for planning and land use decisions, efforts to increase affordable housing, and economic development and increased employment; and

WHEREAS, the information collected by the U.S. Census Bureau is encrypted and confidential and protected by law under Title 13 of the U.S. Code; and

WHEREAS, Monterey County's Complete County Committee for the 2020 U.S. Census is eligible to receive approximately \$400,000 from the California Complete County Census 2020 Office, based on population and the California Hard-to-Count Index created by the California Department of Finance, Demographic Research Unit and modeled on the U.S. Census Bureau's Hard-to-Count Score of past censuses; and

WHEREAS, Monterey County is forming a Complete Count Committee, which can bring together a cross section of countywide community members who will utilize their local knowledge and expertise to reach out to all county residents; and

WHEREAS, the City of King has assigned staff and resources to support and participate in this effort.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of King, California supports the Monterey County Census Complete Count Committee efforts to assure a complete count in King City and the entire County.

PASSED AND ADOPTED at a regular meeting of the City Council on the 11th day of June, 2019, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Mike LeBarre, Mayor

ATTEST:

Steven Adams, City Clerk

APPROVED AS TO FORM:

Roy Santos, City Attorney



Item No. 9(H)

REPORT TO THE CITY COUNCIL

DATE: JUNE 11, 2019

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: MIKE HOWARD, DIRECTOR OF FINANCE

RE: CONSIDERATION OF A RESOLUTION APPROVING THE FORM OF AND AUTHORIZING EXECUTION OF AN AMENDED AND RESTATED INDENTURE OF TRUST AND AUTHORIZING ACTIONS RELATED THERETO

RECOMMENDATION:

It is recommended City Council adopt a Resolution approving the form of and authorizing execution of an Amended and Restated Indenture of Trust and authorizing actions related thereto.

BACKGROUND:

On August 28, 2018 the City approved the issuance of its City of King City Taxable Wastewater Refunding Revenue Bonds, Series 2018 (the "2018 Bonds"), to refund the then outstanding King City Public Financing Authority 2009 Refunding Certificates of Participation which had an interest rate of 5.60% for the bonds with the longest maturity.

The 2018 Bonds were sold through a "private placement" transaction to Flagstar Bank (the "Purchaser"). The Purchaser agreed to provide two interest rates: a) a taxable rate of 4.81% through the conversion date (June 1, 2019 or any day thereafter); and b) a tax-exempt rate of 3.80% that will be effective, upon conversion, and continue through to the final maturity date of September 1, 2038.

Bond Counsel (Quint & Thimmig LLP) has prepared an Amended and Restated Indenture of Trust providing for terms and conditions of the 2018 Bonds to reflect the interest rate conversion to the lower tax-exempt rate of 3.80%. The conversion date will be June 14, 2019.

**CITY COUNCIL
CONSIDERATION OF A RESOLUTION APPROVING THE FORM OF AND
AUTHORIZING EXECUTION OF AN AMENDED AND RESTATED
INDENTURE OF TRUST AND AUTHORIZING ACTIONS RELATED THERETO
JUNE 11, 2019
PAGE 2 OF 2**

DISCUSSION:

Per the attached Resolution, the City is being asked to approve the form of and authorized execution of the Amended and Restated Indenture of Trust.

The Amended and Restated Indenture of Trust defines the payment terms and conditions of the 2018 Bonds and describes the funds and accounts that will be held by the Trustee (Wells Fargo Bank) on behalf of the City after the interest rate conversion.

The forms of the related documents are on file with the City Clerk.

COST ANALYSIS:

By converting the interest rate to the lower tax-exempt rate, the City will generate an estimated total debt service savings of approximately \$851,000, net of all costs of issuance (costs of issuance were paid from bond proceeds in 2018, and there are no additional costs for the rate conversion). The repayment of principal and interest on the 2018 Bonds is payable from net revenues (which is gross revenues, less operation and maintenance expenses) of the wastewater system.

ALTERNATIVES:

The following alternatives are provided for Council consideration:

1. Adopt the Resolution.
2. Do not adopt the Resolution; or
3. Provide other direction to staff.

Exhibits:

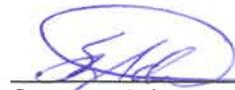
1. Resolution
2. Conversion Certificate
3. Amended and Restated Indenture of Trust

Submitted by:



Mike Howard, Finance Director

Approved by:



Steven Adams, City Manager

CITY OF KING CITY

RESOLUTION NO. _____

RESOLUTION AUTHORIZING APPROVING THE FORM AND AUTHORIZING EXECUTION OF AN AMENDED AND RESTATED INDENTURE OF TRUSTAND AUTHORIZING ACTIONS RELATED THERETO

RESOLVED, by the City Council (the "Council") of the City of King City (the "City"), as follows:

WHEREAS, pursuant to Article 10 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53570) of the California Government Code, a resolution adopted by the Council on August 28, 2018, and an indenture, dated as of August 1, 2018, by and between the City and Wells Fargo Bank, National Association, as trustee (the "Trustee"), the City has issued its City of King City (Monterey County, California) Taxable Wastewater Refunding Revenue Bonds, Series 2018 (the "Bonds"), to refund the then outstanding King City Public Financing Authority 2009 Refunding Certificates of Participation ;

WHEREAS, the Bonds will be secured by a pledge of the net revenues generated by the City's municipal wastewater enterprise;

WHEREAS, the Bonds were sold to Flagstar Bank, FSB (the "Purchaser");

WHEREAS, the Bonds were structured as taxable bonds converting to tax-exempt bonds upon the election of the City on and after June 1, 2019; and

WHEREAS, the City has made such election and, in furtherance thereof, it is necessary to amend the Indenture to provide for the terms and conditions of the Bonds after such conversion;

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

SECTION 1. Conversion of the Bonds. The Council hereby confirms the election of the City to convert the interest to be payable on the Bonds to a tax-exempt basis.

SECTION 2. Approval of Amended and Restated Indenture. The Council hereby approves an amended and restated indenture, by and between the City and the Trustee, providing for the terms and conditions of the Bonds after such conversion in the form on file with the City Clerk (the "Amended and Restated Indenture"), together with such non-material additions thereto and changes therein as the Mayor, the Vice Mayor, the City Manager or the Finance Director, or any designee thereof (the "Designated Officers"), shall deem necessary, desirable or appropriate, the execution of which by the City shall be conclusive evidence of the approval of any such non-material additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest to, the final form of the Amended and Restated Indenture for and in the name and on behalf of the City. The Council hereby authorizes the delivery and performance of the Amended and Restated Indenture.

SECTION 3. Official Actions. The Mayor, the Vice Mayor, the City Manager, the Finance Director, the City Clerk and any and all other officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the transactions as described herein.

SECTION 4. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

This resolution is hereby approved and adopted at a regular meeting of the City Council of the City of King City held on June 11, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST

Mayor

City Clerk

\$4,041,590
CITY OF KING CITY
(Monterey County, California)
Taxable Wastewater Refunding Revenue Bonds, Series 2018

CONVERSION CERTIFICATE

The undersigned hereby states and certifies:

(i) that the undersigned is the duly appointed, qualified and acting City Manager of the City of King City, a general law city and municipal corporation duly organized and existing under the laws of the State of California (the "City"), and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same on behalf of the City;

(ii) that the undersigned is duly designated as an "Authorized Officer" of the City, as such term is defined in that certain Indenture of Trust, dated as of September 12, 2018 (the "Indenture"), by and between the City and Wells Fargo Bank, National Association, as trustee (the "Trustee"), relating to the captioned bonds (the "Bonds");

(iii) that pursuant to Section 2.02 of the Indenture, the City hereby provides notice to the Trustee and to Flagstar Bank, FSB, as original purchaser of the Bonds (the "Purchaser"), of the City's election to convert the interest rate with respect to the Bonds to Tax-Exempt Rate (as defined in the Indenture), to be effective on June 14, 2019 (the "Tax-Exempt Conversion Date");

(iv) that pursuant to Section 2.02 of the Indenture, the Purchaser is hereby requested to select one of the following two redemption provisions which will become applicable to the Bonds after the Tax-Exempt Conversion Date and to indicate such selection to the City and to the Trustee:

(1) The Bonds are subject to optional redemption, at the option of the City on any Interest Payment Date on or after September 1, 2021, as a whole, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, plus a premium, as set forth in the following table:

<u>Redemption Period</u>	<u>Premium</u>
September 1, 2021 through August 31, 2022	2%
September 1, 2022 through August 31, 2025	1
September 1, 2025 and thereafter	0

or

(2) The Bonds are subject to optional redemption, at the option of the City on any Interest Payment Date on or after September 1, 2025, as a whole, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without a premium.

Dated: June 3, 2019

CITY OF KING CITY

By _____
Steven Adams,
City Manager

INDENTURE OF TRUST

by and between the

CITY OF KING CITY

and

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

**Dated as of September 1, 2018,
Amended and Restated as of June 1, 2019**

**Relating to the
\$4,041,590
City of King City
(Monterey County, California)
Taxable Wastewater Refunding Revenue Bonds, Series 2018**

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EXHIBIT A—FORM OF BOND

EXHIBIT B—FORM OF PURCHASER’S LETTER

INDENTURE OF TRUST

This INDENTURE OF TRUST, is dated as of September 1, 2018, amended and restated as of June 1, 2019, by and between the CITY OF KING CITY, a municipal corporation and general law city organized and existing under the constitution and laws of the State of California (the "City"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, with a corporate trust office in Los Angeles, California, and being qualified to accept and administer the trusts hereby created, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, the City has previously caused the execution and delivery of the \$4,990,000 King City Public Financing Authority 2009 Refunding Certificates of Participation, of which \$4,135,000 remains outstanding (the "2009 Certificates"), pursuant to a trust agreement, dated as of April 1, 2009, by and between the King City Public Financing Authority (the "Authority") and Wells Fargo Bank, National Association, as trustee (the "Trustee"), for the purpose of refunding certain certificates of participation delivered in 2007 to finance improvements to the City's municipal wastewater enterprise (the "Wastewater System");

WHEREAS, principal and interest with respect to the 2009 Certificates is paid from revenues comprised of payments (the "Installment Payments") made by the City under an installment sale agreement, dated as April 1, 2009, by and between the Authority and the City, which Installment Payments are derived from the net revenues of the Wastewater System;

WHEREAS, Article 10 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53570) of the California Government Code (the "Refunding Bond Law") authorizes the City to issue its refunding bonds for the purpose of refunding obligations of the City;

WHEREAS, the City, after due investigation and deliberation, has determined that it is in the interests of the City at this time to provide for the issuance of bonds under the Refunding Bond Law to provide for the payment and prepayment of the Installment Payments and refunding of the 2009 Certificates;

WHEREAS, to that end, the City has determined to issue its City of King City (Monterey County, California) ~~Taxable~~ Wastewater Refunding Revenue Bonds, Series 2018 (the "Bonds"), pursuant to an indenture of trust (the "Indenture"), by and between the City and the Trustee;

WHEREAS, the Bonds will be secured by a pledge of the net revenues generated by the Wastewater System;

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof and premium (if any) and of the interest thereon, the City Council of the City has authorized the execution of this Indenture;

WHEREAS, all Bonds issued under this Indenture will be secured by a pledge of the Net Revenues, as defined herein, and certain other moneys and securities held by the Trustee hereunder; and

WHEREAS, all acts and proceedings required by law necessary to make the Bonds, when executed by the City, authenticated and delivered by the Trustee and duly issued, the

valid, binding and legal special obligations of the City, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth, in accordance with its terms, have been done and taken; and the execution and delivery of this Indenture have been in all respects duly authorized.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and premium (if any) and interest on all Bonds at any time issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the owners thereof, and for other valuable consideration the receipt and sufficiency of which is hereby acknowledged, the City does hereby covenant and agree with the Trustee, for the benefit of the respective owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION; EQUAL SECURITY

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.01 shall for all purposes of this Indenture and of any Supplemental Indenture and of any certificate, opinion, request or other documents herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

“Annual Debt Service” means, for any Fiscal Year, the sum of (1) the interest falling due on the Bonds and all Parity Obligations in such Fiscal Year, assuming that all Bonds and Parity Obligations are retired as scheduled, plus (2) the principal amount of all Bonds and Parity Obligations falling due by their terms in such Fiscal Year; provided, that as to any Parity Obligations bearing or comprising interest at other than a fixed interest rate, the rate of interest used to calculate Annual Debt Service shall be one hundred ten percent (110%) of the greater of (A) the daily average interest rate on such Parity Obligations during the twelve (12) calendar months next preceding the date of such calculation (or the portion of the current Fiscal Year that such Parity Obligations have borne interest) or (B) the most recent effective interest rate on such Parity Obligations prior to the date of such calculation; and provided further, that as to any such Parity Obligations having twenty-five percent (25%) or more of the aggregate principal amount thereof due in any one Fiscal Year, Annual Debt Service shall be calculated for the Fiscal Year of determination as if the interest on and principal of such Parity Obligations were being paid from the date of incurrence thereof in substantially equal annual amounts over a period of twenty-five (25) years from the date of such Parity Obligations; and provided further, that as to any such Parity Obligations or portions thereof bearing no interest but which are sold at a discount and which discount accretes with respect to such Parity Obligations or portions thereof, such accreted discount shall be treated as interest in the calculation of Annual Debt Service; and provided further, that the amount on deposit in the reserve fund for any Parity Obligations on any date of calculation of Annual Debt Service shall be deducted from the amount of principal due at the final maturity of such Parity Obligations and in each preceding year until such amount is exhausted; and provided further, that Annual Debt Service shall not include interest on Parity Obligations which is to be paid from amounts constituting capitalized interest; and provided further, that if an interest rate swap agreement is in effect with respect to, and is payable on a parity with, any Parity Obligations to which it relates, no amounts payable under such interest rate swap agreement shall be included in the calculation of Annual Debt Service unless the sum of (i) the interest payable on such Parity Obligations, plus (ii) the amounts payable by the City under such interest rate swap agreement, less (iii) the amounts receivable by the City under such interest rate swap agreement, are greater than the interest payable on such Parity Obligations, in which case the amount of such payments to be made that exceed the interest to be paid on such Parity Obligations shall be included in such calculation, and for this purpose, the variable amount under any such interest rate swap agreement shall be determined in accordance with the procedure set forth in the first proviso of this definition.

“Authorized Officer” means, with respect to the City, the Mayor, the Vice Mayor, the City Manager, the Finance Director or any other person designated as an Authorized Officer of the City by a Certificate of the City signed by the City Manager or the Finance Director and filed with the Trustee.

“Average Annual Debt Service” means, with respect to any portion of the Outstanding Parity Obligations for which the calculation is being made, the average Annual Debt Service

during the period from the date of calculation through the final maturity date of all of such Outstanding Parity Obligations.

"Bond Fund" means the fund by that name established pursuant to Section 5.01.

"Bond Registration Books" means the books maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

"Bonds" means the City's ~~Taxable~~ Wastewater Refunding Revenue Bonds, Series 2018, issued and at any time Outstanding hereunder.

"Bond Year" means any twelve-month period commencing on September 2 in a year and ending on the next succeeding September 1, both dates inclusive; *provided, however*, that the first Bond Year shall commence on the Closing Date relating to the Bonds and shall end on September 1, 2019.

"Business Day" means a day of the year on which banks in Los Angeles, California, are not required or authorized to remain closed and on which The New York Stock Exchange is not closed.

"Certificate," "Statement," "Request," "Requisition" and "Order" of the City mean, respectively, a written certificate, statement, request, requisition or order signed in the name of the City by an Authorized Officer of the City. 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.

"City" means the City of King City, a municipal corporation and general law city organized and existing under the constitution and laws of the State, and any successor thereto.

"City Council" means the City Council of the City.

"Closing Date" means ~~the date upon which there is an exchange of the Bonds for the proceeds representing the purchase of the Bonds by the Original Purchaser thereof~~ June 14, 2019.

"Code" means the Internal Revenue Code of 1986 as in effect on the Closing Date, or as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated under the Code.

"Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the City and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the City relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, operating expenses, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, fiscal consultants, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds.

"Costs of Issuance Fund" means the fund so designated and established pursuant to Section 3.03.

"Date of Taxability" means the date from and for which interest on the Bonds is subject to federal or State income taxation as a result of a Determination of Taxability.

"Debt Service" means, during any period of computation, the amount obtained for such period by totaling the following amounts:

(a) The principal amount of all Outstanding Bonds coming due and payable by their terms in such period; and

(b) The interest which would be due during such period on the aggregate principal amount of Bonds which would be Outstanding in such period if the Bonds are retired as scheduled, but deducting and excluding from such aggregate amount the amount of Bonds no longer Outstanding.

"Default Rate" means the then applicable interest rate plus 3.00%.

"Determination of Taxability" means any determination, decision, or decree made by the Commissioner or any District Director of the Internal Revenue Service, or by any court of competent jurisdiction, that, ~~after conversion from the Taxable Rate to the Tax-Exempt Rate, as a result of any actions or omissions of the City with respect to the Bonds (including as a result of the City's election to convert from the Taxable Rate to the Tax-Exempt Rate),~~ the interest payable on the Bonds is includable in the gross income for federal or State income tax purposes of the Bond Owner; *provided, however,* that no such Determination of Taxability shall be deemed to have occurred if the City is contesting such determination in good faith and is diligently proceeding to prosecute such contest until the earliest of (a) a final determination from which no appeal may be taken with respect to such determination, or (b) abandonment of such appeal by the City.

"Escrow Agreement" means that certain Escrow Agreement, dated the Closing Date, by and between the City and the Escrow Bank, providing for the defeasance of the 2009 Certificates.

"Escrow Bank" means Wells Fargo Bank, National Association, appointed by the City to act as escrow bank under the Escrow Agreement, and its assigns or any other corporation or association which may at any time be substituted in its place, as provided in the Escrow Agreement.

"Escrow Fund" means the fund by that name established pursuant to the Escrow Agreement.

"Event of Default" means any of the events of default described in Section 8.01.

"Federal Securities" means direct and general obligations of the United States of America, or those which are unconditionally guaranteed as to principal and interest by the same.

"Fiscal Year" means the period commencing on July 1 of each year and terminating on the next succeeding June 30.

"Gross Revenues" means all gross charges received for, and all other gross income and receipts derived by the City from, the ownership and operation of the Wastewater System or

otherwise arising from the Wastewater System, including but not limited to investment earnings thereon; but excluding (a) the proceeds of any *ad valorem* property taxes levied for the purpose of paying general obligation bonds of the City relating to the Wastewater System, (b) the proceeds of any special assessments or special taxes levied upon real property within any improvement district for the purpose of paying special assessment bonds or special tax obligations of the City relating to the Wastewater System; and (c) customers' deposits or any other deposits subject to refund until such deposits have become the property of the City, or contributions in aid of construction.

"Indenture" means this Indenture of Trust, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture pursuant to the provisions hereof.

"Independent Accountant" means any certified public accountant or firm of such accountants appointed and paid by the City, and who, or each of whom:

(a) is in fact independent and not under domination of the City;

(b) does not have any substantial interest, direct or indirect, with the City; and

(c) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make annual or other audits of the books of or reports to the City.

"Independent Financial Consultant" means any consultant or firm of such consultants appointed by the City, and who, or each of whom: (a) is in fact independent and not under domination of the City; (b) does not have any substantial interest, direct or indirect, with the City; (c) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make reports to the City, and (d) is judged by the City to have experience in matters relating to the engineering matters relating to water system enterprises.

"Insurance Consultant" means a person (which may be the City's insurance agent or broker) having experience and a favorable reputation in consulting on the insurance requirements of water utilities in the State of the general size and character of the Wastewater System, selected by the City.

"Interest Account" means the account by that name in the Bond Fund established pursuant to Section 5.01.

"Interest Payment Date" means March 1 and September 1 in each year, beginning March 1, 2019, and continuing so long as any Bonds remain Outstanding.

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

"Material Litigation" means any action, suit, proceeding, inquiry or investigation against the City in any court or before any arbitrator of any kind or before or by any Governmental Authority, (i) if determined adversely to the City, may have a Material Adverse Effect, (ii) seek to restrain or enjoin any of the transactions contemplated by this Indenture, or (iii) may

adversely affect (A) the exclusion of interest on the Bonds from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes or (B) the ability of the City to perform its obligations under this Indenture.

"Maximum Annual Debt Service" means, as of any date of calculation by the City, the largest Annual Debt Service during the period from the date of such calculation through the final maturity date of the Bonds and all Parity Obligations.

"Moody's" means Moody's Investors Service, New York, New York, or its successors.

"Net Proceeds" means the par amount of the Bonds plus accrued interest and premium, if any, less the amount of any underwriter's and original issue discount, less the proceeds applied to pay Costs of Issuance.

"Net Revenues" means, for any period, an amount equal to all of the Gross Revenues received during such period minus the amount required to pay all Operation and Maintenance Costs during such period.

"Operation and Maintenance Costs" means the reasonable and necessary costs and expenses paid by the City for maintaining and operating the Wastewater System, including but not limited to (a) costs of electricity and other forms of energy supplied to the Wastewater System, (b) the reasonable expenses of management and repair and other costs and expenses necessary to maintain and preserve the Wastewater System in good repair and working order, and (c) the reasonable administrative costs of the City attributable to the operation and maintenance of the Wastewater System; but in all cases excluding (i) debt service payable on all other obligations incurred by the City with respect to the Wastewater System including but not limited to any Parity Obligations, (ii) depreciation, replacement and obsolescence charges or reserves therefor and other noncash expenses, and (iii) amortization of intangibles or other bookkeeping entries of a similar nature.

"Original Purchaser" means Flagstar Bank, FSB the original purchaser of the Bonds upon their delivery by the Trustee on the Closing Date, and its successor and assigns.

"Outstanding," when used as of any particular time with reference to Bonds, means all Bonds theretofore executed, issued and delivered by the City under this Indenture except:

(a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds paid or deemed to have been paid within the meaning of Section 11.01; and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered by the City pursuant to this Indenture or any Supplemental Indenture.

"Owner" or *"Bond Owner"*, when used with respect to any Bond, means the person in whose name the ownership of such Bond shall be registered on the Bond Registration Books. Initially, the Owner is the Original Purchaser.

"Parity Obligations" means all bonds, notes or other obligations of the City payable from and secured by a pledge of and lien upon any of the Net Revenues issued or incurred on a parity with the Bonds pursuant to Section 6.08(b).

"Permitted Investments" means:

(a) Federal Securities.

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

1. U.S. Export-Import Bank (Eximbank)
Direct obligations or fully guaranteed certificates of beneficial ownership
2. U.S. Farmers Home Administration (FmHA)
Bonds of Beneficial Ownership
3. Federal Financing Bank
4. Federal Housing Administration Debentures (FHA)
5. General Services Administration
Participation Bonds
6. Government National Mortgage Association (GNMA or Ginnie Mae)
GNMA—guaranteed mortgage-backed bonds
GNMA—guaranteed pass-through obligations
7. U.S. Maritime Administration
Guaranteed Title XI financing
8. U.S. Department of Housing and Urban Development (HUD)
Project Notes
Local Agency Bonds
New Communities Debentures - U.S. government guaranteed debentures
U.S. Public Housing Notes and 2010 Bonds - U.S. government guaranteed public housing notes and bonds

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies which are not backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

1. Federal Home Loan Bank System
Senior debt obligations
2. Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac)
Participation Certificate
Senior debt obligations
3. Federal National Mortgage Association (FNMA or Fannie Mae)
Mortgage-backed securities and senior debt obligations
4. Student Loan Marketing Association (SLMA or Sallie Mae)
Senior debt obligations

5. Resolution Funding Corp. (REFCORP) obligations

6. Farm Credit System

Consolidated systemwide bonds and notes

(d) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, which invest substantially in Federal Securities, if rated by S&P, having a rating at the time of investment of AAAm-G; and if rated by Moody's having a rating at the time of investment of Aaa, including such funds for which the Trustee, its affiliates or subsidiaries provide investment advisory or other management services or for which the Trustee or an affiliate of the Trustee serves as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives fees from funds for services rendered, (ii) the Trustee collects fees for services rendered pursuant to this Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to this Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee.

(e) Bonds of deposit secured at all times by collateral described in (a) and/or (b) above. Such certificates must be issued by commercial banks or savings and loan associations (including the Trustee or its affiliates). The collateral must be held by a third party and the Owners must have a perfected first security interest in the collateral.

(f) Bonds of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC and, to the extent such deposits are in excess of the amounts protected by FDIC insurance, secured at all times by collateral described in (a) and/or (b) above.

(g) Commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1" or better by S&P.

(h) Federal funds or bankers acceptances with a maximum term of 180 days of any bank which has an unsecured, uninsured and unguaranteed obligation rating at the time of investment of "Prime-1" or better by Moody's and "A-1" or better by S&P.

(i) The Local Agency Investment Fund of the State, created pursuant to section 16429.1 of the California Government Code.

(j) Monterey County pooled investment fund.

(k) Municipal obligations rated at the time of purchase "A" or higher by S&P.

(l) Other forms of investments that satisfy the City's Statement of Investment Policy as of the time of investment.

"Principal Account" means the account by that name in the Bond Fund established pursuant to Section 5.01.

"Principal Payment Date" means September 1 in each year, beginning September 1, 2019, and continuing so long as any Bonds remain Outstanding.

"Rating Category" means, with respect to any Permitted Investment, one or more of the generic categories of rating by Moody's and/or S&P applicable to such Investment Security, without regard to any refinement or gradation of such rating category by a plus or minus sign.

"Record Date" means the fifteenth (15th) calendar day of the month immediately preceding an Interest Payment Date.

"Refunding Bond Law" means Article 10 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53570) of the California Government Code, as in effect on the Closing Date or as thereafter amended in accordance with its terms.

"S&P" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, New York, New York, or its successors.

"Special Record Date" means the date established by the Trustee pursuant to Section 2.02 as a record date for the payment of defaulted interest on Bonds.

"State" means the State of California.

"Sinking Account" means the account by that name in the Bond Fund established pursuant to Section 5.01, if required.

"Supplemental Indenture" means any indenture hereafter duly authorized and entered into between the City and the Trustee, amendatory of or supplemental to this Indenture, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

~~*"Tax-Exempt Rate"* means 3.800% per annum based on a 30-day month and a 360-day year for calculating interest.~~

"Taxable Rate" means 4.810% per annum based on a 30-day month and a 360-day year for calculating interest.

"Trust Office" means the designated corporate trust office of the Trustee, initially its corporate trust office located in Los Angeles, California; provided that with respect to presentation of Bonds for payment or for registration of transfer and exchange or surrender and cancellation such term shall mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business shall be conducted, or such other address specified by the Trustee from time to time.

"Trustee" means Wells Fargo Bank, National Association, appointed by the City to act as trustee hereunder pursuant to Section 9.01, and its assigns or any other corporation or association which may at any time be substituted in its place, as provided in Section 9.01.

"2009 Certificates" means the King City Public Financing Authority 2009 Refunding Certificates of Participation, of which \$4,135,000 remains outstanding as of the Closing Date.

"Wastewater Fund" means the Wastewater Fund established and held by the City for purposes of accounting for the revenues and expenditures of the Wastewater System.

"Wastewater System" means any and all properties and assets, real and personal, tangible and intangible, of the City, now or hereafter existing, used or pertaining to the disposal or reuse of sewer, including sewage treatment plants, intercepting and collecting sewers, outfall sewers, force mains, pumping stations, ejector stations, pipes, valves, machinery and all other

appurtenances necessary, useful or convenient for the collection, treatment, purification or disposal of sewage, and any necessary lands, rights of way and other real or personal property useful in connection therewith, including all additions, extensions, expansions, improvements and betterments thereto and equipments thereof.

Section 1.02. Rules of Construction. All references in this Indenture to "Articles," "Sections," and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; and the words "herein," "hereof," "hereunder," and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

Section 1.03. Equal Security. In consideration of the acceptance of the Bonds by the Owners thereof, this Indenture shall be deemed to be and shall constitute a contract between the City and the Owners from time to time of the Bonds; and the covenants and agreements herein set forth to be performed on behalf of the City shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution or delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

ARTICLE II
THE BONDS

Section 2.01. Authorization of Bonds.

(a) At any time after the adoption, execution and delivery of this Indenture, the City may execute and the Trustee, upon Request of the City, shall authenticate and deliver Bonds in the aggregate principal amount of four million forty-one thousand five hundred ninety dollars (\$4,041,590).

(b) This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and redemption premiums (if any) and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

Section 2.02. Terms of Bonds.

(a) The Bonds shall be issued as a single, fully registered bond, without coupons in the total principal amount thereof. The Bonds shall mature on September 1, 2038, and shall bear interest from the Closing Date (calculated on the basis of a 30-day month and 360 days in a year) initially at the Taxable Rate at the rate of 3.800% per annum based on a 30-day month and a 360-day year for calculating interest; provided, however, that so long as an Event of Default shall have occurred and is continuing, the interest rate may, at the option of the Owner, be increased to the Default Rate, as provided in a written notice to the Trustee and the City. The Bonds shall not be (i) assigned a rating by any rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement, or (iv) assigned CUSIP numbers by Standard & Poor's CUSIP Service Bureau.

~~The interest rate payable with respect to the Bonds shall convert to the Tax-Exempt Rate, on any date on and after June 1, 2019 (the "Tax-Exempt Conversion Date"), upon the satisfaction of the following conditions precedent to such conversion:~~

~~(i) The election by the City, communicated to the Trustee and to the Owner, to convert the interest rate with respect to the Bonds to the Tax-Exempt Rate;~~

~~(ii) Selection by the Original Purchaser of one of the following two redemption options which shall become applicable to the Bonds to maturity:~~

~~(1) The Bonds are subject to optional redemption, at the option of the City on any Interest Payment Date on or after September 1, 2021, as a whole, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, plus a premium, as set forth in the following table:~~

<u>Redemption Period</u>	<u>Premium</u>
September 1, 2021 through August 31, 2022	2%
September 1, 2022 through August 31, 2025	1
September 1, 2025 and thereafter	0

or

~~(2) The Bonds are subject to optional redemption, at the option of the City on any Interest Payment Date on or after September 1, 2025, as a whole, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without a premium.~~

~~(iii) Appropriate amendments or supplements to this Indenture, if required, subject to the requirements of Section 7.01 hereof;~~

~~(iv) Delivery of an arbitrage certificate executed by the City with respect to certain tax matters relating to the Bonds after interest with respect thereto is converted to the Tax-Exempt Rate;~~

~~(v) The filing of an IRS Form 8038-G, executed by the City; and~~

~~(vi) Issuance of an opinion of Bond Counsel to the effect that the conditions precedent set forth above to the conversion of interest with respect to the Bonds to the Tax-Exempt Rate have been satisfied and that subject to the City's compliance with certain covenants, interest with respect to the Bonds is excludable from gross income of the owners thereof for federal income tax purposes, is not included as an item of tax preference in computing the alternative minimum tax under the Code.~~

~~If, by September 1, 2019, the conditions precedent to the conversion of the rate of interest with respect to the Bonds to the Tax-Exempt Rate shall not have occurred, the interest rate with respect to the Bonds shall remain at the Taxable Rate to maturity.~~

From and after the Date of Taxability following a Determination of Taxability, the interest rate on the Bonds shall increase to the Taxable Rate.

(b) Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) shall be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by wire transfer to an account in the United States of America to any registered owner of Bonds who shall furnish written wire instructions to the Trustee on or before the applicable Record Date. Such instructions shall remain in effect until rescinded in writing by the Owner. Principal of and redemption premium (if any) on the Bonds shall be paid upon presentation and surrender thereof, at final maturity or full redemption only, at the Trust Office. Both the principal of and interest and premium (if any) on the Bonds shall be payable in lawful money of the United States of America.

Notwithstanding anything herein to the contrary, the Bonds shall not be required to be surrendered for payment except at final payment at maturity hereof or earlier full redemption pursuant to the terms hereof. In addition, notice of redemption shall not be required for regularly-scheduled mandatory sinking fund payments made pursuant to the terms hereof.

(c) The Bonds shall be dated as of their date of delivery and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) the Bonds are authenticated on or before February 15, 2019, in which event they shall bear interest from their date of delivery; *provided, however*, that if, as of the date of authentication of the Bonds, interest

thereon is in default, the Bonds shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

(d) Notwithstanding anything herein to the contrary, so long as the Bonds are owned by the Original Purchaser, (i) the Trustee shall pay principal of and interest and redemption premium on the Bonds when due by wire transfer in immediately available funds to the Original Purchaser in accordance with wire transfer instructions set forth below (or such other wire instructions as shall be filed by the Original Purchaser with the Trustee from time to time), (ii) payments of principal on the Bonds shall be made without the requirement for presentation and surrender of the Bonds by the Original Purchaser, and (iii) the Trustee shall not be required to give notice to the Original Purchaser of the redemption of Bonds under Section 2.03(b).

(e) Notwithstanding anything herein to the contrary, if any Interest Payment Date is not a Business Day, payments of principal and interest shall be due on the next succeeding Business Day with the same force and affect as if such payments were made on the Interest Payment Date.

Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Owner on such Record Date and shall be paid to the person in whose name the Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof being given to the Owners not less than ten (10) days prior to such Special Record Date.

Section 2.03. Form of Bonds. The Bonds, the form of Trustee's certificate of authentication, and the form of assignment to appear thereon, shall be substantially in the respective forms set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.04. Execution of Bonds. The Bonds shall be signed in the name and on behalf of the City with the facsimile signature of its Mayor, Director of Administrative Services or Financial Services Director and attested by the facsimile signature of its City Clerk. The Bonds shall then be delivered to the Trustee for authentication by it. In case any officer who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been authenticated or delivered by the Trustee or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the City as though the individual who signed the same had continued to be such officer of the City. Also, any Bond may be signed on behalf of the City by any individual who on the actual date of the execution of such Bond shall be the proper officer although on the nominal date of such Bond such individual shall not have been such officer of the City.

Only such of the Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A attached hereto, manually executed by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

Section 2.05. Transfer of Bonds.

(a) The Bonds may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Trust Office for cancellation,

accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bonds shall be surrendered for registration of transfer, the City shall execute and the Trustee shall deliver a new Bond or Bonds, of like series, interest rate, maturity and principal amount of authorized denominations. The Trustee shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.05. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the City.

The Trustee may refuse to transfer, under the provisions of this Section 2.05, either (a) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption.

(b) Ownership of the Bonds may be transferred in whole only, but only to a person or persons that the Owner reasonably believes is either:

(i) a qualified institutional buyer within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended,

(ii) an accredited investor as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, as amended,

(iii) a trust, partnership, custodial arrangement or similar entity, interests in which are offered and sold in a private placement or limited offering only to qualified institutional buyers or accredited investors, or

(iv) an affiliate of the Original Purchaser,

in each case (other than to an affiliate of the Original Purchaser) that executes and delivers to the Trustee a letter in substantially the form attached hereto as Exhibit B.

Notwithstanding the foregoing, the Bonds are not transferrable prior to September 1, 2019, except to an affiliate of the Original Purchaser and may be participated in part. The transferor shall also provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under section 6045 of the Code. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 2.06. Exchange of Bonds. Bonds may be exchanged at the Trust Office, for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity. The Trustee shall require the Owner requesting such exchange to pay any tax or other charge required to be paid with respect to such exchange. The Trustee may refuse to exchange, under the provisions of Section 2.06, any Bonds selected by the Trustee for redemption under Article IV, or any Bonds during the period established by the Trustee for the selection of Bonds for redemption.

Section 2.07. Temporary Bonds. The Bonds may be issued initially in temporary form exchangeable for definitive Bonds when ready for delivery. Any temporary Bond may be printed, lithographed or typewritten, shall be of such denomination as may be determined by the City and may contain such reference to any of the provisions of this Indenture as may be appropriate. A temporary Bond may be in the form of a single registered bond payable in installments, each on the date, in the amount and at the rate of interest established for the Bonds maturing on such date. Every temporary Bond shall be executed by the City and authenticated

by the Trustee upon the same conditions and in the same manner as the definitive Bonds. If the City issues temporary Bonds, it will execute and deliver definitive Bonds as promptly thereafter as practicable, and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Trust Office, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations of the same maturity or maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.08. Bond Registration Books. The Trustee will keep or cause to be kept at its Trust Office sufficient books for the registration and transfer of the Bonds, which shall at all times during regular business hours be open to inspection by the City upon reasonable notice; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as hereinbefore provided.

Section 2.09. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the City shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and authorized denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it and destroyed and the Trustee shall provide evidence of such destruction to the City. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the City and the Trustee and, if such evidence be satisfactory to the Trustee and indemnity for the City and the Trustee satisfactory to the Trustee shall be given, the City, at the expense of the Bond Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of the aforementioned indemnity). The City may require payment of a reasonable fee for each new Bond issued under this Section 2.09 and of the expenses which may be incurred by the City and the Trustee in connection therewith. Any Bond issued under the provisions of this Section 2.09 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original contractual obligation on the part of the City whether or not the Bond alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture.

ARTICLE III

ISSUE OF BONDS; APPLICATION OF PROCEEDS; COSTS OF ISSUANCE FUND

Section 3.01. Issuance of Bonds. At any time after the adoption, execution and delivery of this Indenture, the City may execute and the Trustee, upon Request of the City, shall authenticate and deliver Bonds in the aggregate principal amount of four million forty-one thousand five hundred ninety dollars (\$4,041,590).

Section 3.02. Application of Proceeds of Bonds. Upon the receipt of payment for the Bonds on the Closing Date of \$4,041,590.00, being the principal amount of the Bonds, the Trustee shall apply the proceeds of sale thereof as follows:

(a) The Trustee shall deposit to the Costs of Issuance Fund the sum of \$125,000.13; and

(b) The Trustee shall transfer to the Escrow Bank the sum of \$3,916,589.87 for deposit in the Escrow Fund.

The Trustee may establish temporary funds or accounts on its records to facilitate such transfer.

Section 3.03. Establishment and Application of Costs of Issuance Fund.

(a) The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Costs of Issuance Fund." The moneys in the Costs of Issuance shall be used and withdrawn by the Trustee to pay Costs of Issuance upon receipt by the Trustee of a Requisition of the City stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said account. Each such Requisition of the City shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts.

(b) At the end of three months from the Closing Date, or upon earlier receipt of a Certificate of the City stating that amounts in the Costs of Issuance Fund are no longer required for the payment of Costs of Issuance, the Costs of Issuance Fund shall be closed and any amounts then remaining in the Costs of Issuance Fund shall be transferred to the Bond Fund.

Section 3.04. Validity of Bonds.

(a) The City has reviewed all proceedings heretofore taken relative to the authorization of the Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, happen or be performed precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the City is now authorized, pursuant to each and every requirement of the Refunding Bond Law to issue the Bonds in the form and manner provided in this Indenture and the Bonds shall be entitled to the benefit, protection and security of the provisions of this Indenture.

(b) From and after the issuance of the Bonds, the findings and determinations of the City respecting the Bonds shall be conclusive evidence of the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the Bonds is at issue, and no bona fide purchaser of any of the Bonds shall be required to see to the existence of any fact or to the performance of any condition or to the taking of any proceeding required

prior to such issuance or to the application of the proceeds of sale of the Bonds. The recital contained in the Bonds that the same are issued pursuant to the Refunding Bond Law and this Indenture shall be conclusive evidence of their validity and of the regularity of their issuance and all Bonds shall be incontestable from and after their issuance. The Bonds shall be deemed to be issued, within the meaning of this Indenture, whenever the definitive Bonds (or any temporary Bonds exchangeable therefor) have been delivered to the purchaser thereof and the proceeds of sale thereof received.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.01. Redemption.

(a) *Optional Redemption.* ~~Prior to the Tax-Exempt Conversion Date, the Bonds are not subject to optional redemption. On and after the Tax-Exempt Conversion Date, the Bonds will be subject to optional redemption as selected by the Purchaser in connection with the conversion of interest on the Bonds to the Tax-Exempt Rate pursuant to Section 2.02 of this Indenture. In the event the interest rate with respect to the Bonds is not converted from the Taxable Rate to the Tax-Exempt Rate, the~~The Bonds will be subject to redemption, at the option of the City on any date on or after September 1, 2021, as a whole only, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, together with a premium, as set forth in the following table:

<u>Redemption Period</u>	<u>Premium</u>
September 1, 2021 through August 31, 2022	2%
September 1, 2022 through August 31, 2025	1
September 1, 2025 and thereafter	0

(b) *Sinking Fund Redemption.* The Bonds are subject to mandatory redemption, in part by lot, from Sinking Account payments set forth in the following schedule on September 1, 2019, and on each September 1 thereafter to and including September 1, 2038, at a redemption price equal to the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; *provided, however,* that if some but not all of the Bonds have been redeemed pursuant to subsection (a) above, the total amount of Sinking Account payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the Bonds so redeemed by reducing each such future Sinking Account payment on a pro rata basis (as nearly as practicable) in integral multiples of \$1,000, as shall be designated pursuant to written notice filed by the City with the Trustee.

Sinking Account Redemption Date (September 1)	Principal Amount to be Redeemed
2019	\$106,113
2020	145,025
2021	150,536
2022	156,257
2023	162,195
2024	168,358
2025	174,756
2026	181,396
2027	188,289
2028	195,444
2029	202,871
2030	210,580
2031	218,582
2032	226,888
2033	235,510
2034	244,460
2035	253,749
2036	263,391
2037	273,400
2038+	283,790

†Maturity

Section 4.02. Notice of Redemption.

(a) Written notice of redemption shall be given by the City to the Trustee and the Owner at least thirty (30) days prior to the date of redemption (unless a shorter time shall be acceptable to the Trustee in the sole determination of the Trustee). Unless waived by the Owner, notice of any such redemption shall be given by the Trustee on behalf of the City by mailing a copy of a redemption notice by first class mail, postage prepaid, at least 20 days and not more than 60 days prior to the date fixed for redemption to the Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Registration Books.

All notices of redemption shall be dated and shall state: (i) the redemption date, (ii) the redemption price, (iii) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed, (iv) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and (v) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Trust Office.

Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) interest with respect to such Bonds or portions of Bonds shall cease to accrue and be payable. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Trustee at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same maturity in the amount of the unredeemed principal.

All Bonds which have been redeemed shall be canceled and destroyed by the Trustee and shall not be reissued.

(b) Notice of redemption of Bonds shall be given by the Trustee, at the expense of the City, for and on behalf of the City.

(c) Notwithstanding the foregoing, in the case of any optional redemption of the Bonds under Section 4.01(a), the notice of redemption may state that the redemption is conditioned upon receipt by the Trustee of sufficient moneys to redeem the Bonds to be redeemed on the anticipated redemption date, and that the optional redemption shall not occur if, by no later than the scheduled redemption date, sufficient moneys to redeem such Bonds have not been deposited with the Trustee. In the event that the Trustee does not receive sufficient funds by the scheduled optional redemption date to so redeem the Bonds to be optionally redeemed, such event shall not constitute an Event of Default; the Trustee shall send written notice to the Owners, to the effect that the redemption did not occur as anticipated, and the Bonds for which notice of optional redemption was given shall remain Outstanding for all purposes of this Indenture.

Section 4.03. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the redemption date on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable at the redemption price specified in such notice plus interest accrued thereon to the redemption date, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Owner of said Bonds shall have no rights in respect thereof except to receive payment of said redemption price.

All Bonds redeemed pursuant to the provisions of this Article IV shall be canceled upon surrender thereof and destroyed pursuant to the Trustee's retention policy then in effect with a certificate of destruction delivered to the Order of the City upon its written request.

ARTICLE V

GROSS REVENUES; NET REVENUES

Section 5.01. Pledge of Net Revenues. The Bonds and any Parity Obligations shall be secured by a first pledge of all of the Net Revenues. In addition, the Bonds shall be secured by a pledge of all of the moneys in all funds and accounts held by the Trustee hereunder, including all amounts derived from the investment of such moneys. Such pledge shall constitute a lien on the Net Revenues and such other moneys for the payment of the principal of and interest and premium (if any) on the Bonds and any Parity Obligations in accordance with the terms hereof. The Bonds shall be equally secured by a pledge, charge and lien upon the Net Revenues, without priority for number or date, shall be and are secured by an exclusive pledge, charge and lien upon the Net Revenues and such moneys, except as set forth in this Section 5.01. So long as any of the Bonds or any Parity Obligations are Outstanding, the Net Revenues and such moneys shall not be used for any other purpose, except as set forth in this Section 5.01 except, that out of the Net Revenues, there may be apportioned such sums, for such purposes, as are expressly permitted by Section 5.02.

In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the City and the Owners from time to time of the Bonds and the covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

The Trustee shall establish and maintain the Bond Fund and, within the Bond Fund, the Interest Account, the Principal Account and the Sinking Account.

Section 5.02. Receipt, Deposit and Application of Gross Revenues and Net Revenues.

(a) *Application of Gross Revenues.* All of the Gross Revenues shall be deposited by the City immediately upon receipt in the Wastewater Fund. All Gross Revenues shall be held in trust by the City in the Wastewater Fund and shall be applied, transferred, used and withdrawn only for the following purposes:

(i) **Operation and Maintenance Costs.** The City shall first pay from the moneys in the Wastewater Fund the budgeted Operation and Maintenance Costs as such Operation and Maintenance Costs become due and payable.

(ii) **Payment of Debt Service.** On or before the 5th Business Day preceding each Interest Payment Date, the City shall withdraw from the Wastewater Fund and transfer to the Trustee, for deposit in the Bond Fund, an amount which, together with the balance then on deposit in the Bond Fund, the Interest Account, the Principal Account and the Sinking Account (other than amounts required for payment of principal of or interest on any Bonds which have matured but which have not been presented for payment), is equal to the aggregate amount of principal of and interest coming due and payable on the Bonds and shall withdraw from the Wastewater Fund and transfer amounts required for the payment of debt service on any Parity Obligations. The transfers required to pay debt service on the Bonds and any Parity Obligations shall be made without preference or priority and, in the event moneys in the Wastewater Fund

are not sufficient to pay the debt service requirement for the Bonds and any Parity Obligations, the City shall pay such amounts on a pro rata basis based on the debt service requirements for the Bonds and each outstanding Parity Obligation.

(iii) **Surplus.** As long as all of the foregoing payments, allocations and transfers are made at the times and in the manner set forth above, any moneys remaining in the Wastewater Fund may at any time be treated as surplus and applied for any lawful purpose.

(b) *Application of Moneys in the Bond Fund.* On or before the Business Day preceding each Interest Payment Date, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Bond Fund), the following amounts, in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Net Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

First: to the Interest Account, the aggregate amount of interest becoming due and payable on the next succeeding Interest Payment Date on all Bonds then Outstanding;

Second: to the Principal Account, the aggregate amount of principal becoming due and payable on the Outstanding Bonds on the next succeeding Interest Payment Date, if any; and

Third: to the Sinking Account, the aggregate amount of sinking fund installment becoming due and payable on the Outstanding Bonds on the next succeeding Interest Payment Date, if any.

Section 5.03. Application of Interest Account. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased prior to maturity pursuant to this Indenture).

Section 5.04. Application of Principal Account. All amounts in the Principal Account shall be used and withdrawn by the Trustee solely for the purposes of paying the principal of the Bonds when due and payable.

Section 5.05. Application of Sinking Account. All amounts in the Sinking Account shall be used and withdrawn by the Trustee solely for the purposes of paying the sinking fund installments of the Bonds when due and payable.

Notwithstanding the foregoing, if some but not all of the Bonds have been theretofore redeemed pursuant to Sections 4.01(a), the total amount of all future mandatory Sinking Account payments shall be reduced by the aggregate principal amount of Bonds so redeemed, allocated among such mandatory Sinking Account payments on a pro rata basis in integral multiples of \$1,000 as determined by the City (notice of which determination shall be given to the Trustee). In the event of a redemption pursuant to Section 4.01(a) the City shall provide the Trustee with a revised sinking fund schedule giving effect to the optional redemption so completed.

Any amounts remaining in the Sinking Account when all of the Bonds are no longer Outstanding shall be withdrawn by the Trustee and transferred to the City for deposit in the Wastewater Fund.

Section 5.06. Investment of Moneys in Funds and Accounts. All moneys in any of the funds and accounts established pursuant to this Indenture shall, upon Request of the City provided at least two Business Days prior to the date of investment, be invested by the Trustee, but solely in Permitted Investments. In the absence of any such directions from the City, the Trustee shall invest any such moneys in the money market fund set forth in the letter of authorization and direction executed by the City and delivered to the Trustee. If no specific money market fund had been specified by the City, the Trustee shall make a request to the City for investment directions and, if no investment directions are provided within 10 days, such amount shall be held in cash, uninvested during such 10 day period and thereafter, until specific investment directions are provided by the City to the Trustee. All Permitted Investments shall be acquired subject to the limitations as to maturities hereinafter set forth in this Section 5.06 and such additional limitations or requirements consistent with the foregoing as may be established by Request of the City.

All interest, profits and other income received from the investment of moneys in any other fund or account established pursuant to this Indenture shall be deposited when received in the Bond Fund. Notwithstanding anything to the contrary contained in this paragraph, an amount of interest received with respect to any Permitted Investment equal to the amount of accrued interest, if any, paid as part of the purchase price of such Permitted Investment shall be credited to the fund or account for the credit of which such Permitted Investment was acquired.

The Trustee may commingle any of the funds or accounts established pursuant to this Indenture into a separate fund or funds for investment purposes only, provided that all funds or accounts held by the Trustee hereunder shall be accounted for separately as required by this Indenture. The Trustee or an affiliate may act as principal or agent in the making or disposing of any investment. The Trustee may sell, or present for redemption, any Permitted Investments so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Permitted Investment is credited, and, subject to the provisions of Section 9.03, the Trustee shall not be liable or responsible for any loss resulting from such investment.

The City acknowledges that, to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grants the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Trustee shall furnish the City periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the City. Upon the City's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request. The City waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The City further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee hereunder.

ARTICLE VI

COVENANTS OF THE CITY; SPECIAL TAX COVENANTS

Section 6.01. Punctual Payment. The City shall punctually pay or cause to be paid the principal and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of Net Revenues and other assets pledged for such payment as provided in this Indenture.

Section 6.02. Extension of Payment of Bonds. The City shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any of the claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in this Section 6.02 shall be deemed to limit the right of the City to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

Section 6.03. Discharge of Claims. The City covenants that in order to fully preserve and protect the priority and security of the Bonds the City shall pay from the Net Revenues and discharge all lawful claims for labor, materials and supplies furnished for or in connection with the Wastewater System which, if unpaid, may become a lien or charge upon the Net Revenues prior or superior to the lien of the Bonds and impair the security of the Bonds. The City shall also pay from the Net Revenues all taxes and assessments or other governmental charges lawfully levied or assessed upon or in respect of the Wastewater System or upon any part thereof or upon any of the Net Revenues therefrom.

Section 6.04. Operation of Wastewater System in Efficient and Economical Manner. The City covenants and agrees to operate, or cause to be operated, the Wastewater System in an efficient and economical manner and to operate, maintain and preserve the Wastewater System in good repair and working order.

Section 6.05. Against Encumbrance. Except as provided herein, the City covenants that the property, facilities and improvements of the Wastewater System shall not be voluntarily mortgaged or otherwise encumbered, leased, pledged, any charge placed thereon, or disposed of as a whole or substantially as a whole unless such sale or other disposition shall be so arranged as to provide for a continuance of payments into the Bond Fund sufficient in amount to permit payment therefrom of the principal of and interest on the Outstanding Bonds, and also to provide for such payments into the funds as are required under the terms of this Indenture. Notwithstanding the foregoing, the City may lease real property constituting a portion of the Wastewater System; provided that the lease payments shall be considered Gross Revenues hereunder.

The City further covenants that the Net Revenues or any other funds pledged or otherwise made available to secure payment of the principal of and interest on the Outstanding Bonds shall not be mortgaged, encumbered, sold, leased, pledged, any charge placed thereon, or disposed of or used except as authorized by the terms of this Indenture. The City further covenants that it will not enter into any agreement which impairs the operation of the

Wastewater System or any part of it necessary to secure adequate Net Revenues to pay the principal and interest of the Bonds or which otherwise would impair the rights of the Bond Owners with respect to the Net Revenues.

Section 6.06. Records and Accounts. The City covenants that it shall keep proper books of record and accounts of the Wastewater System, separate from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to the Wastewater System. Said books shall, upon reasonable request, be subject to the inspection of the Owners of not less than ten percent (10%) of the Outstanding Bonds or their representatives authorized in writing.

The City covenants that it will cause the books and accounts of the Wastewater System to be audited annually by an Independent Accountant and will make available for inspection by the Bond Owners at the Trust Office, upon reasonable request, a copy of the report of such Independent Accountant. Any such audit may be combined with and be a part of the general audit of the City's financial records.

Section 6.07. Rates and Charges.

(a) *Covenant Regarding Gross Revenues*. The City covenants to fix, prescribe, revise and collect rates, fees and charges for the Wastewater System as a whole for the services and improvements furnished by the Wastewater System during each Fiscal Year which are at least sufficient, after making allowances for contingencies and error in the estimates, to yield Gross Revenues that are sufficient to pay the following amounts in the following order of priority:

(i) all anticipated Operation and Maintenance Costs of the Wastewater System for such Fiscal Year;

(ii) Debt Service payments on the Bonds and any Parity Obligations as they become due and payable during such Fiscal Year, without preference or priority, except to the extent such Debt Service payments are payable from the proceeds of the Bonds or such Parity Obligations, as applicable, or from any other source of legally available funds of the City that have been deposited with the Trustee or otherwise segregated for purposes prior to the commencement of such Fiscal Year (not including a debt service reserve fund);

(iii) the amount, if any, required to restore the balance in any reserve fund established for Parity Obligations, to the full amount of the reserve requirement with respect to any such Parity Obligations; and

(iv) all other payments required to meet any other obligations of the City which are charges, liens, encumbrances upon, or which are otherwise payable, from the Revenues during such Fiscal Year.

(b) *Covenant Regarding Net Revenues*. In addition, the City covenants to fix, prescribe, revise and collect, or cause to be fixed, prescribed, revised and collected, rates, fees and charges for the services and improvements furnished by the Wastewater System during each Fiscal Year which are sufficient to yield Net Revenues which are at least equal to one hundred ten percent (110%) of the total Debt Service Payments on the Bonds and any debt service on Parity Obligations coming due and payable in such Fiscal Year.

Section 6.08. Limitations on Future Obligations Secured by Net Revenues.

(a) *No Obligations Superior to Bonds.* In order to protect further the availability of the Net Revenues and the security for the Bonds and any Parity Obligations, the City covenants that no additional bonds or other indebtedness that are payable out of the Net Revenues in whole or in part will be issued or incurred on a senior basis to the Bonds and any Parity Obligation.

(b) *Parity Obligations.* Additional obligations may be issued on a parity with the Bonds and any then existing Parity Obligations subject to the following specific conditions which are hereby made conditions precedent to the issuance and delivery of such Parity Obligations, except that the City need not comply with subparagraph (ii) if the proposed Parity Obligations are incurred to prepay or post a security deposit for the payment of the Bonds or Parity Obligations:

(i) The City shall be in compliance with all covenants set forth in this Indenture and no Event of Default shall have occurred and is continuing.

(ii) The Net Revenues, calculated on sound accounting principles, as shown by the books of the City for the latest Fiscal Year or any more recent twelve (12) month period selected by the City ending not more than sixty (60) days prior to the adoption of the instrument issuing such Parity Obligations are issued, as shown by the books of the City, plus, at the option of the City, either or both of the items hereinafter in this covenant designated (A) and (B), but excluding connection charges, shall at least equal one hundred twenty percent (120%) of the amount of Maximum Annual Debt Service on all Bonds and Parity Obligations to be Outstanding immediately subsequent to the issuance of such Parity Obligations. The items any or all of which may be added to such Net Revenues for the purpose of issuing or incurring Parity Obligations hereunder are the following:

(A) An allowance for Net Revenues from any additions to or improvements or extensions of the Wastewater System to be made with the proceeds of such Parity Obligations, and also for Net Revenues from any such additions, improvements or extensions which have been made from moneys from any source but in any case which, during all or any part of such Fiscal Year or such twelve (12) month period, were not in service, all in an amount equal to seventy percent (70%) of the estimated additional average annual Net Revenues to be derived from such additions, improvements and extensions for the first thirty-six (36) month period in which each addition, improvement or extension is respectively to be in operation, all as shown in the written report of an Independent Financial Consultant engaged by the City.

(B) An allowance for earnings arising from any increase in the charges made for service from the Wastewater System which has become effective prior to the incurring of such additional indebtedness but which, during all or any part of such Fiscal Year or such twelve (12) month period, was not in effect, in an amount equal to the amount by which the Net Revenues would have been increased if such increase in charges had been in effect during the whole of such Fiscal Year or such twelve (12) month period, all as shown in the written report of an Independent Financial Consultant engaged by the City.

(iii) The instrument providing for the issuance of such Parity Obligations shall provide that:

(A) The proceeds of such Parity Obligations shall be applied to the acquisition, construction, improvement, financing or refinancing of additional facilities, improvements or extensions of existing facilities within the Wastewater System, or otherwise for facilities, improvements or property which the City determines are of benefit to the Wastewater System, or for the purpose of refunding any Bonds or Parity Obligations in whole or in part, including all costs (including costs of issuing such Parity Obligations and including capitalized interest on such Parity Obligations during any period which the City deems necessary or advisable) relating thereto;

(B) Interest on such Parity Obligations shall be payable on March 1 and September 1 in each year of the term of such Parity Obligations except the first year, during which year interest may be payable on any March 1 or September 1; and

(C) The principal of such Parity Obligations shall be payable on September 1 in any year in which principal is payable.

(iv) A reserve fund may, but shall not be required to, be established for such Parity Obligations.

(c) *Subordinate Obligations.* Additional obligations may be issued on a basis subordinate to the Bonds to the extent determined by the City.

Section 6.09. Further Assurances. The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Indenture.

Section 6.10. Waiver of Laws. The City shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Indenture or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the City to the extent permitted by law.

Section 6.11. Other Covenants.

(a) *Reporting Requirements.* The City hereby covenants and agrees that it will provide to the Owner:

(i) the Comprehensive Annual Financial Report (CAFR) of the City within nine months after the end of each fiscal year, which shall include audited financial statements of the City, with a standard opinion provided by the auditor in accordance with Generally Accepted Accounting Principles including required supplemental information;

(ii) will cause to be prepared annually, not more than two hundred ten (210) days after the close of each Fiscal Year an internally prepared balance sheet, and income statement showing: the assets, liabilities, reserves, revenues and expenditures of the Wastewater System. Additional reports include: (A) Gross Revenues and the amount of all other funds collected which are required to be pledged or otherwise made available as security for payment of principal of and interest on the Bonds, the disbursements

from the Gross Revenues and other funds in reasonable detail, (B) customer utilization and collection metrics, (C) independent rate analysis reports (when and if prepared and 30 days after City review), (D) capital projects underway and proposed, and (E) general narrative of the physical condition of the Wastewater System;

(iii) will cause to be prepared annually, within 30 days of City approval, an annual financial plan for the Wastewater System with a narrative (when available) for the following year;

(iv) will cause to be prepared a certification of the City (A) demonstrating the ratio of Net Revenues to scheduled debt service on the Bonds, any outstanding Parity Obligations and any subordinate obligations for the prior fiscal year; and (B) such additional information with respect to the City or Net Revenues as the Owner may from time to time reasonably request. Said Report to be provided by October 31 of each year; and

(v) immediately upon the City's knowledge thereof, notices of (A) any default on any debt obligation, (B) Material Litigation, (C) material governmental proceedings, or (D) Material Adverse Effect.

(b) *Event of Default.* The City shall immediately notify the Trustee and the Owner by telephone, promptly confirmed in writing, of any event, action or failure to take any action which constitutes an event of default under any obligation or this Indenture, together with a detailed statement by an authorized representative of the City of the steps being taken by the City to cure the effect of such event of default.

(c) *Action, Suit or Proceeding.* The City shall promptly notify the Trustee and the Owner in writing (i) of any action, suit or proceeding or any investigation, inquiry or similar proceeding by or before any court or other governmental authority, domestic or foreign, against the City which involve claims equal to or in excess of \$100,000 or that seeks injunctive relief, any material litigation and the occurrence of any Material Adverse Change.

(d) *Costs and Expenses.* Subject to the following sentence, the City agrees to pay the reasonable out-of-pocket expenses and disbursements of the Owners and the necessary and reasonable fees, expenses and disbursements of counsel to the Owners in connection with (A) obtaining any waiver or consent under this Indenture (whether or not the transactions contemplated thereby shall be consummated) or any Event of Default hereunder, (B) the preparation, execution, delivery, administration, defense and enforcement or preservation of rights in connection with a workout, restructuring or waiver with respect to the Bonds, and (C) the occurrence of an Event of Default and collection and other enforcement proceedings resulting therefrom.

(e) *Indemnification.* The City covenants and agrees to indemnify and hold harmless, to the extent permitted by law, the Owner and its incorporators, members, commissioners, directors, officers, agents and employees (collectively, the "Owner Indemnified Persons") against all liability, losses, damages, all reasonable costs and charges (including reasonable fees and disbursements of attorneys, accountants, consultants and other experts), taxes, causes of action, suits, claims, demands and judgments of every conceivable kind, character and nature whatsoever, by or on behalf of any person arising in any manner from the transaction of which this Indenture or the Bonds is a part, including, but not limited to, losses, claims, damages, liabilities or reasonable expenses arising out of, resulting from or in any way connected with (i) the operation of the Wastewater System; (ii) any violation of contract, agreement (including this

Indenture) or restriction relating to the Wastewater System; or (iii) the carrying out of any of the transactions contemplated by this Indenture, the Bonds and all documents related thereto.

Section 6.12. Private Activity Bond Limitation. The City shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of Section 141(b) of the Code.

Section 6.13. Private Loan Financing Limitation. The City shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private loan financing test of Section 141(c) of the Code.

Section 6.14. Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 6.15. Rebate Requirement. The City shall take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government.

Section 6.16. No Arbitrage. The City shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Bonds, to be "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 6.17. Maintenance of Tax-Exemption. The City shall take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the Closing Date.

ARTICLE VII

MAINTENANCE; TAXES; INSURANCE AND CONDEMNATION

Section 7.01. Maintenance and Operation of the Wastewater System. The City covenants and agrees that it will operate and maintain the Wastewater System in accordance with all applicable governmental laws, ordinances, approvals, rules, regulations and requirements including, without limitation, such zoning, sanitary, pollution and safety ordinances and laws and such rules and regulations thereunder as may be binding upon the City.

Section 7.02. Taxes, Assessments, Other Governmental Charges and Utility Charges. The City covenants and agrees that it will pay and discharge all taxes, assessments, governmental charges of any kind whatsoever, and utility charges which may be or have been assessed or which may have become liens upon the Wastewater System or the interest therein of the Trustee or of the Owners of the Bonds, and will make such payments or cause such payments to be made, respectively, in due time to prevent any delinquency thereon or any forfeiture or sale of the Wastewater System or any part thereof, and upon request, will furnish to the Trustee receipts for all such payments, or other evidence satisfactory to the Trustee; *provided, however,* that the City shall not be required to pay any tax, assessment, rate or charge as herein provided as long as it shall in good faith contest the validity thereof, provided that the City shall have set aside adequate reserves with respect thereto.

Section 7.03. Public Liability and Property Damage Insurance. The City shall maintain or cause to be maintained, so long as any Bonds or Parity Obligations remain outstanding, but only if and to the extent available at reasonable cost from reputable insurers, a standard comprehensive general insurance policy or policies in protection of the City and its members, officers, agents, assignees and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Wastewater System. Said policy or policies shall provide coverage in such liability amounts and shall be subject to such deductibles as shall be customary with respect to works and property of a like character. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, in the form of the participation by the City in a joint powers agency or other program providing pooled insurance. The proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which such proceeds have been paid.

Section 7.04. Casualty Insurance. The City shall procure and maintain or cause to be procured and maintained, so long as any Bonds or Parity Obligations remain outstanding, but only in the event and to the extent available from reputable insurers at reasonable cost, casualty insurance against loss or damage to any improvements constituting any part of the Wastewater System, covering such hazards as are customarily covered with respect to works and property of like character. Such insurance may be subject to deductible clauses which are customary with respect to works and property of a like character. Such insurance may be maintained as part of or in conjunction with any other casualty insurance coverage carried by the City and may be maintained, in whole or in part, in the form of self-insurance by the City, subject to the provisions of Section 7.05, or in the form of the participation by the City in a joint powers agency or other program providing pooled insurance. All amounts collected from insurance against accident to or destruction of any portion of the Wastewater System shall be used to repair, rebuild or replace such damaged or destroyed portion of the Wastewater System.

Section 7.05. Insurance Net Proceeds; Form of Policies. The City shall pay or cause to be paid when due the premiums for all insurance policies. The City shall annually, on or before September 1, deliver to the Trustee a certificate to the effect that the City has complied with the requirements of Sections 7.03 and 7.04 hereof. The Trustee shall be entitled to rely upon such Certificate of the City as to the City's compliance with Sections 7.03 and 7.04 hereof. In the event that any insurance required pursuant to Section 7.03 or 7.04 shall be provided in the form of self-insurance, the City shall file with the Trustee and the Owner annually, within ninety (90) days following the close of each Fiscal Year, a statement of an independent actuarial consultant identifying the extent of such self-insurance and stating the determination that the City maintains sufficient reserves with respect thereto. In the event that any such insurance shall be provided in the form of self-insurance by the City, the City shall not be obligated to make any payment with respect to any insured event except from Net Revenues or from such reserves.

Section 7.06. Eminent Domain. Any amounts received as awards as a result of the taking of all or any part of the Wastewater System by the lawful exercise of eminent domain, at the election of the City (evidenced by a Written Certificate of the City filed with the Trustee and the City) shall be used for the lease, acquisition or construction of improvements or extension of the Wastewater System.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF BONDOWNERS

Section 8.01. Events of Default. The following events shall be Events of Default:

(a) default in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise, in the amounts and at the times provided therefor;

(b) default in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable;

(c) default by the City in the observance of any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained (other than as referred to in subsections (a) or (b) of this Section 8.01), if such default shall have continued for a period of sixty (60) consecutive days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to the City by the Trustee, or to the City and the Trustee by the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding;

(d) abandonment by the City of the Wastewater System, or any substantial part thereof, and such abandonment shall continue for a period of sixty (60) consecutive days after written notice thereof shall have been given to the City by the Trustee, or to the City and the Trustee by the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding, unless the City shall have assumed all of the City's obligations hereunder; *provided, however*, that abandonment by the City shall not constitute an Event of Default if such abandonment was caused by unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market and unusually severe weather or any similar even and/or occurrences beyond the control of the City; or

(e) the City's filing a petition in voluntary bankruptcy, for the composition of its affairs or for its corporate reorganization under any state or federal bankruptcy or insolvency law, or making an assignment for the benefit of creditors, or admitting in writing to its insolvency or inability to pay debts as they mature, or consenting in writing to the appointment of a trustee or receiver for itself or for the whole or any substantial part of the Wastewater System.

Section 8.02. Acceleration of Maturities. If an Event of Default shall occur, then, and in each and every such case during the continuance of such Event of Default, the Trustee or the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding shall be entitled, upon notice in writing to the City, to declare the principal of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding.

Any such declaration, however, is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the City shall deposit with the Trustee a sum sufficient to pay all the

principal of and installments of interest on the Bonds payment of which is overdue, with interest on such overdue principal at the rate borne by the respective Bonds, and the reasonable charges and expenses of the Trustee, and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the City and the Trustee, or the Trustee if such declaration was made by the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences and waive such default; but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

Section 8.03. Application of Net Revenues and Other Funds After Default. If an Event of Default shall occur and be continuing, all Net Revenues and any other funds then held or thereafter received by the Trustee under any of the provisions of this Indenture (subject to Section 12.12) shall be applied by the Trustee as follows and in the following order:

(a) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Owners of the Bonds and payment of any outstanding fees and reasonable charges and expenses of the Trustee (including, but not limited to, reasonable fees and disbursements of its counsel, agents and advisors) incurred in and about the performance of its powers and duties under this Indenture;

(b) To the payment of the principal of and interest then due on the Bonds (upon presentation of the Bonds to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof if fully paid) subject to the provisions of this Indenture (including Section 6.02), as follows:

(i) Unless the principal of all of the Bonds shall have become or have been declared due and payable,

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference, and

Second: To the payment to the persons entitled thereto of the unpaid principal of any Bonds which shall have become due, in the order of their due dates, with interest on the overdue principal at the rate borne by the respective Bonds, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference; and

(ii) If the principal of all of the Bonds shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds, with interest on the overdue principal at the rate borne by the respective Bonds, and, if the amount available shall not be sufficient to pay in full the whole amount so due and unpaid, then to the payment thereof ratably, without preference or priority of principal over interest, or of interest over principal, or of any installment of

interest over any other installment of interest, or of any Bond over any other Bond, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference.

Section 8.04. Trustee to Represent Bond Owners. The Trustee is hereby irrevocably appointed (and the successive respective Owners of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Owners of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Owners under the provisions of the Bonds, this Indenture, the Refunding Bond Law and applicable provisions of any other law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the Bond Owners, the Trustee in its discretion may and shall upon the written request of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding (or, if more than one such request is received, the written request executed by the Owners of the greatest percentage of Bonds then Outstanding in excess of twenty-five percent (25%)), and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of such Owners by such appropriate action, suit, mandamus or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee or in such Owners under this Indenture, the Refunding Bond Law or any other law; and upon instituting such proceeding, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Net Revenues and other assets pledged under this Indenture, pending such proceedings. All rights of action under this Indenture or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of all the Owners of such Bonds, subject to the provisions of this Indenture (including Section 6.02).

Section 8.05. Bond Owners' Direction of Proceedings. Anything in this Indenture to the contrary notwithstanding (but subject to Section 12.04(c), the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bond Owners not parties to such direction or would expose the Trustee to liability for which it has not been indemnified to its satisfaction.

Section 8.06. Limitation on Bond Owners' Right to Sue. No Owner of any Bond shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Indenture, the Refunding Bond Law or any other applicable law with respect to such Bond, unless (1) such Owner shall have given to the Trustee written notice of the occurrence of an Event of Default; (2) the Owners of not less than twenty-five per cent (25%) in aggregate principal amount of the Bonds then Outstanding (or, if more than one such request is received, the written request executed by the Owners of the greatest percentage of Bonds then Outstanding in excess of twenty-five percent (25%)) shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (3) such Owner or said Owners shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be

incurred in compliance with such request; and (4) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder or under law; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or the rights of any other Owners of Bonds, or to enforce any right under this Indenture, the Refunding Bond Law, the California Government Code or other applicable law with respect to the Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the benefit and protection of all Owners of the Outstanding Bonds, subject to the provisions of this Indenture (including Section 6.02).

Section 8.07. Absolute Obligation of City. Nothing in Section 8.06 or in any other provision of this Indenture, or in the Bonds, contained shall affect or impair the obligation of the City, which is absolute and unconditional, to pay the principal of and interest on the Bonds to the respective Owners of the Bonds at their respective dates of maturity, as herein provided, but only out of the Net Revenues and other assets herein pledged therefor, or affect or impair the right of such Owners, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

Section 8.08. Termination of Proceedings. In case any proceedings taken by the Trustee or any one or more Bond Owners on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Bond Owners, then in every such case the City, the Trustee and the Bond Owners, subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of the City, the Trustee and the Bond Owners shall continue as though no such proceedings had been taken.

Section 8.09. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Owners of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

Section 8.10. No Waiver of Default. No delay or omission of the Trustee or of any Owner of the Bonds to exercise any right or power arising upon the occurrence of any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or to the Owners of the Bonds may be exercised from time to time and as often as may be deemed expedient.

ARTICLE IX
THE TRUSTEE

Section 9.01. Appointment of Trustee; Duties, Immunities and Liabilities of Trustee.

(a) Wells Fargo Bank, National Association is hereby appointed to serve as Trustee under this Indenture. By execution hereof, the Trustee accepts such appointment.

(b) The Trustee shall, prior to an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture, and no implied duties shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(c) The City may remove the Trustee at any time unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or if at any time the Trustee shall cease to be eligible in accordance with subsection (f) of this Section 9.01, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Trustee, and thereupon shall appoint a successor Trustee by an instrument in writing.

(d) The Trustee may at any time resign by giving sixty days prior written notice of such resignation to the City and by giving the Bond Owners notice of such resignation by mail to the addresses shown on the Bond Registration Books. Upon receiving such notice of resignation, the City shall promptly appoint a successor Trustee by an instrument in writing.

(e) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Bond Owner (on behalf of himself and all other Bond Owners) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture, shall signify its acceptance of such appointment by executing and delivering to the City and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Request of the City or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the

trusts and conditions herein set forth. Upon request of the successor Trustee, the City shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the City shall mail a notice of the succession of such Trustee to the trusts hereunder to the Bond Owners at the addresses shown on the registration books maintained by the Trustee. If the City fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the City.

(f) Any Trustee appointed under the provisions of this Section 9.01 in succession to the Trustee shall be a trust company, national banking association or bank having the powers of a trust company having a corporate trust office in the State, having a combined capital and surplus of at least fifty million dollars (\$50,000,000), and subject to supervision or examination by federal or state authority. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (f), the Trustee shall resign immediately in the manner and with the effect specified in this Section 9.01.

Section 9.02. Merger or Consolidation. Any company or association into which the Trustee may be merged or converted or with which it may be consolidated or any company or association resulting from any merger, conversion or consolidation to which it shall be a party or any company or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company or association shall be eligible under subsection (f) of Section 9.01, shall be the successor to such Trustee, as the case may be, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 9.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the City, and the Trustee assumes no responsibility for the correctness of the same, or makes any representations as to the validity or sufficiency of this Indenture or of the Bonds, or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee may become the owner of Bonds with the same rights it would have if it were not Trustee, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bond Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer, unless the Trustee was negligent in ascertaining the pertinent facts.

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than twenty-five

percent (25%) in aggregate principal amount of the Bonds at the time Outstanding, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(d) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Bond Owners, pursuant to the provisions of this Indenture, unless such Bond Owners shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which may be incurred therein or thereby.

(e) The Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture.

(f) No provision in this Indenture shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

(g) The Trustee makes no representation, express or implied as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the City of the Wastewater System.

(h) The Trustee shall not be deemed to have knowledge of an Event of Default hereunder unless and until a responsible officer in the Trust Office shall have actual knowledge thereof.

(i) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or other disclosure material prepared or distributed with respect to the Bonds.

(j) The immunities extended to the Trustee also extend to its directors, officers, employees and agents.

(k) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty.

(l) The Trustee may execute any of the trusts or powers hereof and perform any of its duties through attorneys, agents and receivers and shall not be answerable for the same if appointed by it with reasonable care.

(m) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: S.W.I.F.T., e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the City shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee Instructions using Electronic Means and the Trustee

in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(n) The Trustee 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 Trustee and could not have been avoided by exercising due care. Force majeure shall include but not be limited to acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

(o) The Trustee's rights to immunities and protection from liability hereunder and its rights to payment of its fees and expenses and indemnity shall survive its resignation or removal and final payment or defeasance of the Bonds.

Section 9.04. Right of Trustee to Rely on Documents. The Trustee shall be protected in acting upon any notice, resolution, request, requisition, consent, order, certificate, report, opinion, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may be counsel of or to the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee 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 be deemed to be conclusively proved and established by a Certificate of the City, and such Certificate shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 9.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject during regular business hours with reasonable prior notice to the inspection of the City

and any Bond Owner, and their agents and representatives duly authorized in writing, at the Trust Office and under reasonable conditions.

Section 9.06. Compensation of Trustee. The City covenants to pay to the Trustee from time to time, from available moneys of the City, and the Trustee shall be entitled to, reasonable compensation for all services rendered by it in the exercise and performance of any of the powers and duties hereunder of the Trustee, and the City will pay or reimburse the Trustee upon its request, from available moneys of the City, for all expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ) except any such expense, disbursement or advance as are finally determined to have been directly caused by the Trustee's negligence or willful misconduct.

Section 9.07. Indemnification. The City covenants to indemnify the Trustee and to hold it harmless against any loss, liability, damage, cost, expense or advance, including reasonable fees and expenses of counsel and other experts, incurred or made without negligence or willful misconduct on the part of the Trustee, in the exercise and performance of any of the powers and duties hereunder by the Trustee, including the costs and expenses of defending itself against any claim of liability arising under this Indenture. Such indemnification shall survive the termination or discharge of this Indenture and the resignation or removal of the Trustee.

ARTICLE X

MODIFICATION OR AMENDMENT OF THE INDENTURE

Section 10.01. Amendments Permitted.

(a) This Indenture and the rights and obligations of the City and of the Owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time by a Supplemental Indenture, which the City and the Trustee may execute when the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have been filed with the Trustee; provided that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any particular maturity remain Outstanding, the consent of the Owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Bonds Outstanding under this Section 10.01. No such modification or amendment shall (1) extend the fixed maturity of any Bond, or reduce the amount of principal thereof, provided in this Indenture for the payment of any Bond, or reduce the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the Owner of each Bond so affected, or (2) reduce the aforesaid percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment, or permit the creation of any lien on the Net Revenues and other assets pledged under this Indenture prior to or on a parity with the lien created by this Indenture, or deprive the Owners of the Bonds of the lien created by this Indenture on such Net Revenues and other assets (except as expressly provided in this Indenture), or terminate the insurance of the Bonds, without the consent of the Owners of all of the Bonds then Outstanding. It shall not be necessary for the consent of the Bond Owners to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof. Promptly after the execution by the City and the Trustee of any Supplemental Indenture pursuant to this subsection (a), the Trustee shall mail a notice, setting forth in general terms the substance of such Supplemental Indenture to the Bond Owners at the addresses shown on the Bond Registration Books. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

(b) This Indenture and the rights and obligations of the City, of the Trustee and of the Owners of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture, which the City and the Trustee may execute without the consent of any Bond Owners, but only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the City in this Indenture contained other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the City, provided, that no such covenant, agreement, pledge, assignment or surrender shall materially adversely affect the interests of the Owners of the Bonds;

(ii) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the City may deem necessary or desirable and not inconsistent with this Indenture, and which shall not materially adversely affect the interests of the Owners of the Bonds; and

(iii) to make such additions, deletions or modifications as may be necessary to assure exclusion from gross income for purposes of federal income taxation of interest on the Bonds.

(c) No such Supplemental Indenture shall modify any of the rights, immunities or obligations of the Trustee without its prior written consent thereto; nor shall the Trustee be required to consent to any such Supplemental Indenture which affects its rights, immunities or obligations hereunder.

Section 10.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the City, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.03. Endorsement of Bonds; Preparation of New Bonds. Bonds delivered after any Supplemental Indenture becomes effective pursuant to this Article X may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the City and the Trustee as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand of the Owner of any Bond Outstanding at the time of such execution and presentation of his Bond for the purpose at the Trust Office or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation shall be made on such Bond. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the City and the Trustee, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the City and authenticated by the Trustee, and upon demand of the Owners of any Bonds then Outstanding shall be exchanged at the Trust Office, without cost to any Bond Owner, for Bonds then Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amounts of the same maturity.

Section 10.04. Amendment of Particular Bonds. The provisions of this Article X shall not prevent any Bond Owner from accepting any amendment as to the particular Bonds held by him.

ARTICLE XI
DEFEASANCE

Section 11.01. Discharge of Indenture. Bonds may be paid by the City in any of the following ways; provided that the City also pays or causes to be paid any other sums payable hereunder by the City:

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

(b) by depositing with the Trustee, in trust, at or before maturity, money or Permitted Investments described in paragraph (a) of the definition thereof ("Defeasance Obligations") in the necessary amount (as provided in Section 11.01) to pay Bonds Outstanding; or

(c) by delivering to the Trustee, for cancellation by it, Bonds Outstanding.

If the City shall pay all Bonds Outstanding and shall also pay or cause to be paid all other sums payable hereunder by the City, then and in that case, at the election of the City (evidenced by a Certificate of the City, filed with the Trustee, signifying the intention of the City to discharge all such indebtedness and this Indenture), and notwithstanding that any Bonds shall not have been surrendered for payment, this Indenture and the pledge of Net Revenues and other assets made under this Indenture and all covenants, agreements and other obligations of the City under this Indenture shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 11.02. In such event, upon Request of the City, the Trustee shall cause an accounting for such period or periods as may be requested by the City to be prepared and filed with the City and shall execute and deliver to the City all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign or deliver to the City all moneys or securities or other property held by it pursuant to this Indenture which are not required for the payment of Bonds not theretofore surrendered for such payment.

Section 11.02. Discharge of Liability on Bonds. Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 11.01) to pay any Outstanding Bond, provided that the provisions of Section 11.04 shall apply in all events.

The City may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered which the City may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

Section 11.03. Deposit of Money or Securities with Trustee. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or Defeasance Obligations in the necessary amount to pay any Bonds, the money or Defeasance Obligations so to be deposited or held may include money or Defeasance Obligations held by the Trustee in the funds and accounts established pursuant to this Indenture and shall be:

(a) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity; or

(b) Defeasance Obligations the principal of and interest on which when due will provide money sufficient in the opinion of a certified public accountant or other verification agent to

pay the principal of and all unpaid interest to maturity on the Bonds to be paid, as such principal and interest become due.

Section 11.04. Payment of Bonds After Discharge of Indenture. Notwithstanding any provisions of this Indenture, any moneys held by the Trustee in trust for the payment of the principal or interest on, any Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable (whether at maturity or by acceleration as provided in this Indenture), if such moneys were so held at such date, or two years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid to the City free from the trusts created by this Indenture, and all liability of the Trustee with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the City as aforesaid, the Trustee, as the case may be, may (at the cost of the City) first mail a notice, in such form as may be deemed appropriate by the Trustee, to the Owners of the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the City of the moneys held for the payment thereof.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Liability of City Limited to Net Revenues. Notwithstanding anything contained in this Indenture or in the Bonds, the City shall not be required to advance any moneys derived from any source other than the Net Revenues and other assets pledged under this Indenture for any of the purposes mentioned in this Indenture, whether for the payment of the principal of or interest on the Bonds or for any other purpose of this Indenture.

Section 12.02. Successor Is Deemed Included in All References to Predecessor. Whenever in this Indenture either the City or the Trustee 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 Indenture contained by or on behalf of the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 12.03. Limitation of Rights to Parties and Bond Owners. Except as provided in Article XII hereof, nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any person other than the City, the Trustee and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the City, the Trustee and the Owners of the Bonds.

Section 12.04. Waiver of Jury Trial; Agreement for Judicial Reference; No Sovereign Immunity. To the fullest extent permitted by law, the City hereby waives its right to trial by jury in any action, proceeding and/or hearing on any matter whatsoever arising out of, or in any way connected with, this Indenture or any documents relating to the Bonds, or the enforcement of any remedy under any law, statute, or regulation. To the extent such waiver is not enforceable, the City hereby consents to the adjudication of any and all such matters pursuant to Judicial Reference as provided in section 638 of the California Code of Civil Procedure, and the judicial referee shall be empowered to hear and determine any and all issues in such Reference whether fact or law. The City hereby represents that it does not possess and will not invoke a claim of sovereign immunity for disputes arising out of contractual claims relating to this Indenture or the Bonds.

Section 12.05. Additional Rights of Original Purchaser. The following provisions shall apply so long as the Original Purchaser owns 100% of the Bonds:

(a) Notwithstanding any other provision of this Indenture, the Original Purchaser shall have the right to consent to the appointment of a successor Trustee appointed by the City after the resignation or removal of the Trustee.

(b) Notwithstanding any other provision of this Indenture, the Original Purchaser shall have the right to consent to any amendment to this Indenture.

(c) The City shall inform the Original Purchaser promptly upon the occurrence of an Event of Taxability, an Event of Default and any event that may have a material adverse impact to the Wastewater Enterprise.

(d) The Original Purchaser is hereby expressly made a third party beneficiary of this Indenture.

(e) The Trustee or the City, as applicable, shall notify the Original Purchaser of any failure of the City to provide relevant notices, certificates or other similar documents.

(f) The City shall pay or reimburse the Original Purchaser for any and all charges, fees, costs and expenses that the Original Purchaser may reasonably pay or incur in connection with the following: (i) the administration, enforcement, defense, or preservation of any rights or security hereunder or under the Indenture; (ii) the pursuit of any remedies hereunder, under the Indenture, or otherwise afforded by law or equity; (iii) any amendment, waiver, or other action with respect to or related to this Indenture whether or not executed or completed; (iv) the violation by the City of any law, rule, or regulation or any judgment, order or decree applicable to it; or (v) any litigation or other dispute in connection with this Indenture.

Section 12.06. Waiver of Notice. Whenever the giving of notice by mail or otherwise is required in this Indenture, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 12.07. Destruction of Bonds. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the City of any Bonds, the Trustee shall destroy such Bonds pursuant to its retention policy then in effect and deliver a certificate of such destruction to the City upon its written request.

Section 12.08. Severability of Invalid Provisions. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The City hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable.

Section 12.09. Notices. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by first class, registered or certified mail, postage prepaid, or sent by confirmed telegram, telecopy or telex, to the address (or such other address as may have been filed with the Trustee in writing) set forth below:

To the City:

City of King City
212 South Vanderhurst Avenue
King City, CA 93930
Attention: City Manager
Phone: (831) 386-5925

To the Trustee:

Wells Fargo Bank, National Association
333 South Grand Avenue
Los Angeles, CA 90071
Attention: Corporate Trust Services
Phone: (213) 253-7517

To the Original Purchaser: Flagstar Bank, FSB
51512 Corporate Drive
MD: 4 S 255
Troy, MI 48908
Attention: Commercial Equipment Finance

Any notice provided by the Trustee to the Owners shall also be provided to the City.

Section 12.10. Evidence of Rights of Bond Owners. Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Bond Owners may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bond Owners in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any person of Bonds transferable by delivery, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and of the City if made in the manner provided in this Section 12.10.

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

The ownership of registered Bonds shall be proved by the Bond Registration Books held by the Trustee.

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

Section 12.11. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the City or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the City or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section 12.11 if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the City or any other obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee. Upon request of the Trustee, the City shall specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

Section 12.12. Money Held for Particular Bonds. The money held by the Trustee for the payment of the interest, principal due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it without liability for interest thereon for the Owners of the Bonds entitled thereto, subject, however, to the provisions of Section 11.04.

Section 12.13. Funds and Accounts. Any fund required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records with respect to all such funds shall at all times be maintained in accordance with customary standards of the industry, to the extent practicable, and with due regard for the protection of the security of the Bonds and the rights of every holder thereof.

Section 12.14. Article and Section Headings and References. 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 Indenture.

All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof; and words of the masculine gender shall mean and include words of the feminine and neuter genders.

Section 12.15. Waiver of Personal Liability. No member of the City Council, officer, agent or employee of the City shall be individually or personally liable for the payment of the principal of or interest on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such member of the City Council, officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

Section 12.16. Execution in Several Counterparts. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the City and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 12.17. Governing Law. This Indenture shall be construed in accordance with and governed by the Constitution and laws of the State. If this Indenture shall be the subject of litigation, venue shall reside in the federal or state courts of California.

[Remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the CITY OF KING CITY has caused this Indenture to be signed in its name by the Assistant City Manager of the City and attested by the City Clerk, and WELLS FARGO BANK, NATIONAL ASSOCIATION, in token of its acceptance of the trust created hereunder, has caused this Indenture to be signed in its corporate name by one of its authorized officers, all as of the day and year first above written.

CITY OF KING CITY

By _____
Steven Adams
City Manager

Attest:

Erica Sonne
Deputy City Clerk

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By _____
Marybeth K. Jones
Vice President

EXHIBIT A
FORM OF BOND

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THIS BOND MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH SECTION 2.05 OF THE INDENTURE DESCRIBED HEREIN.

United States of America
State of California

CITY OF KING CITY
(Monterey County, California)
Taxable Wastewater Refunding Revenue Bond, Series 2018

INTEREST RATE	MATURITY DATE	DATED DATE
<u>3.800%</u> *	September 1, 2038	September 12, 2018

REGISTERED OWNER: FLAGSTAR BANK, FSB

PRINCIPAL AMOUNT: FOUR MILLION FORTY-ONE THOUSAND FIVE HUNDRED NINETY DOLLARS

The CITY OF KING CITY, a municipal corporation and general law city duly organized and existing under the laws of the State of California (the "City"), for value received, hereby promises to pay to the Registered Owner named above or registered assigns (the "Owner"), on the Maturity Date stated above, the Principal Amount stated above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the March 1 or September 1 (each an "Interest Payment Date") next preceding the date of authentication hereof, unless said date of authentication is an Interest Payment Date, in which event such interest is payable from such date of authentication, and unless said date of authentication is prior to February 15, 2019, in which event such interest is payable from the Dated Date stated above, calculated on the basis of a 30-day month and 360 days in a year; *provided, however*, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the date to which interest has previously been paid or made available for payment on this Bond in full at the Interest Rate per annum stated above, payable semiannually on each Interest Payment Date, commencing March 1, 2019. The principal amount of this Bond is payable at the designated corporate trust office of Wells Fargo Bank, National Association, as trustee (the "Trustee"), initially its corporate trust office in Los Angeles, California, or at such office as the Trustee may designate, upon presentation and surrender of this Bond to the Trustee. Payment of the interest on this Bond will be made to the person whose name appears on the bond registration books of the Trustee as the Owner thereof as of the fifteenth day of the month immediately preceding an Interest Payment Date whether or not said day is a business day (the "Record Date"), such interest to be paid by wire transfer, at the Owner's address as it

*This is the Taxable Rate (as such term is defined in the Indenture) which is subject to conversion to the Tax-Exempt Rate (as such term is defined in the Indenture) pursuant to the provisions of the Indenture. If converted, the Tax-Exempt Rate will 3.800%. Upon a Determination of Taxability (as such term is defined in the Indenture) the interest rate shall convert to the Taxable Rate.

appears on such bond registration books or to such account within the United States as shall have been identified by the Owner in the notice requesting payment by wire transfer.

Further, from and during the continuance of an Event of Default under the Indenture, the Bonds shall, at the option of the Owner, bear interest at the Default Rate specified in the Indenture.

Capitalized terms used herein and not otherwise defined are used with the meanings ascribed to them in the Indenture of Trust, dated as of September 1, 2018, as amended and restated as of June 1, 2019, by and between the City and the Trustee (the "Indenture").

This Bond is designated as "City of King City (Monterey County, California) Taxable Wastewater Refunding Revenue Bonds, Series 2018" (the "Bonds"), issued pursuant to the provisions of Article 10 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53570) of the California Government Code (the "Refunding Bond Law") in the aggregate principal amount of \$4,041,590, issued under and pursuant to the Indenture and approved by the City by Resolution No. 2018-4658, adopted by the City Council of the City on August 28, 2018. A copy of the Indenture is on file at the office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof and to the Refunding Bond Law is made for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the net revenues (the "Net Revenues") of the City's municipal water enterprise (the "Wastewater System"), as more particularly described in the Indenture, and the rights of the Owners of the Bonds. All the terms of the Indenture and the Refunding Bond Law are hereby incorporated herein and constitute a contract between the City and the Owners from time to time of this Bond, and to all the provisions thereof the Owner of this Bond, by his acceptance hereof, consents and agrees. Each taker and subsequent Owner hereof shall have recourse to all of the provisions of the Refunding Bond Law and the Indenture and shall be bound by all of the terms and conditions thereof.

~~The interest rate payable with respect to the Bonds shall convert to the Tax-Exempt Rate, on any date on and after June 1, 2019 (the "Tax-Exempt Conversion Date"), upon the satisfaction of the following conditions precedent to such conversion:~~

~~(i) The election by the City to convert the interest rate with respect to the Bonds to the Tax-Exempt Rate;~~

~~(ii) Selection by the Owner of one of the following two redemption options which shall become applicable to the Bonds to maturity:~~

~~(1) The Bonds are subject to optional redemption, at the option of the City on any Interest Payment Date on or after September 1, 2021, as a whole, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, plus a premium, as set forth in the following table:~~

<u>Redemption Period</u>	<u>Premium</u>
September 1, 2021 through August 31, 2022	2%
September 1, 2022 through August 31, 2025	1
September 1, 2025 and thereafter	0

~~or~~

~~(2) The Bonds are subject to optional redemption, at the option of the City on any Interest Payment Date on or after September 1, 2025, as a whole, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without a premium.~~

~~(iii) Appropriate amendments or supplements to the Indenture, if required, subject to the requirements of thereof;~~

~~(iv) Delivery of an arbitrage certificate executed by the City with respect to certain tax matters relating to the Bonds after interest with respect thereto is converted to the Tax-Exempt Rate;~~

~~(v) The filing of an IRS Form 8038-G, executed by the City; and~~

~~(vi) Issuance of an opinion of Bond Counsel (as such term is defined in the Indenture) to the effect that the conditions precedent set forth above to the conversion of interest with respect to the Bonds to the Tax-Exempt Rate have been satisfied and that subject to the City's compliance with certain covenants, interest with respect to the Bonds is excludable from gross income of the owners thereof for federal income tax purposes, is not included as an item of tax preference in computing the alternative minimum tax under the Code.~~

~~If, by September 1, 2019, the conditions precedent to the conversion of the rate of interest with respect to the Bonds to the Tax-Exempt Rate shall not have occurred, the interest rate with respect to the Bonds shall remain at the Taxable Rate to maturity.~~

Notwithstanding anything herein to the contrary, this Bond shall not be required to be surrendered for payment except at final payment at maturity hereof or earlier full redemption pursuant to the terms hereof. In addition, notice of redemption shall not be required for regularly scheduled mandatory sinking fund payments made pursuant to the terms hereof.

The Bonds are issued to provide for the refunding of certain outstanding obligations of the City. The Bonds are special obligations of the City and are payable, as to interest thereon and principal thereof, from the Net Revenues. All of the Bonds are equally secured by a pledge of, and charge and lien upon, that portion of the Net Revenues necessary to pay the principal of and interest on the Bonds in any Fiscal Year, and the Net Revenues constitute a trust fund for the security and payment of the principal of and interest on all of the Bonds. Additional obligations of the City payable from the Net Revenues may be issued but only on a subordinate basis to the Bonds.

The principal of and interest on the Bonds are payable solely from the Net Revenues, and the City is not obligated to pay the Bonds except from the Net Revenues. The general fund of the City is not liable, and the full faith and credit or taxing power of the City is not pledged, for the payment of the principal of and interest on the Bonds. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the City or any of its income or receipts, except the Net Revenues.

The City covenants that, so long as any of the Bonds are outstanding, it will fix, prescribe and collect charges so as to yield Net Revenues at least equal to the amounts thereof prescribed by the Indenture and sufficient to pay the principal of and interest on the Bonds in accordance with the provisions of the Indenture.

~~Prior to the Tax-Exempt Conversion Date, the Bonds are not subject to optional redemption. On and after the Tax-Exempt Conversion Date, the Bonds will be subject to optional redemption as selected by the Purchaser in connection with the conversion of interest on the Bonds to the Tax-Exempt Rate pursuant to the Indenture. In the event the interest rate with respect to the Bonds is not converted from the Taxable Rate to the Tax-Exempt Rate, the~~The Bonds will subject to redemption, at the option of the City on any date on or after September 1, 2021, as a whole or in part, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, together with a premium, as set forth in the following table:

Redemption Period	Premium
September 1, 2021 through August 31, 2022	2%
September 1, 2022 through August 31, 2025	1
September 1, 2025 and thereafter	0

The City shall be required to give the Trustee written notice of its intention to optionally redeem Bonds at least forty-five (45) (or such lesser number of days as acceptable to the Trustee, in the sole discretion of the Trustee), but not more than seventy-five (75) days, prior to the date fixed for such redemption.

The Bonds are subject to mandatory redemption, in part by lot, from Sinking Account payments set forth in the following schedule on September 1, 2019, and on each September 1 thereafter to and including September 1, 2038, at a redemption price equal to the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; *provided, however*, that if some but not all of the Bonds have been redeemed pursuant to subsection (a) above, the total amount of Sinking Account payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the Bonds so redeemed by reducing each such future Sinking Account payment on a pro rata basis (as nearly as practicable) in integral multiples of \$1,000, as shall be designated pursuant to written notice filed by the City with the Trustee.

Sinking Account Redemption Date (September 1)	Principal Amount to be Redeemed
2019	\$106,113
2020	145,025
2021	150,536
2022	156,257
2023	162,195
2024	168,358
2025	174,756
2026	181,396
2027	188,289
2028	195,444
2029	202,871
2030	210,580
2031	218,582
2032	226,888
2033	235,510
2034	244,460
2035	253,749
2036	263,391
2037	273,400
2038†	283,790

†Maturity

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

This Bond is transferable, as provided in the Indenture, only upon the books of the City kept for that purpose at the office of the Trustee, by the Owner hereof in person, or by his attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or his attorney duly authorized in writing, and thereupon a new Bond or Bonds, without coupons, and in the same aggregate principal amount and of the same maturity, shall be issued to the transferee in exchange herefor, as provided in the Indenture, and upon the payment of charges, if any, including, after the first exchange, the cost of preparing new Bonds therein prescribed.

The rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture. No such modification or amendment shall permit a change in the maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or in the rate of interest thereon without the consent of the Owner of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds, the consent of the Owners of which is required to effect any such modification or amendment, all as more fully set forth in the Indenture.

It is hereby certified that all of the conditions, things and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due time, form and manner as required by law and that the amount of this Bond, together with all other indebtedness of the City, does not exceed any limit prescribed by the Constitution or laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

IN WITNESS WHEREOF, the City of King City has caused this Bond to be executed in its name and on its behalf with the manual or facsimile signature of its Mayor and the manual or facsimile signature of its City Clerk all as of the Dated Date stated above.

CITY OF KING CITY

By _____
Mayor

Attest:

City Clerk

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture, which has been authenticated and registered on _____.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By _____
Authorized Signatory

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto

whose address and social security or other tax identifying number is

the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s)

attorney, to transfer the same on the Bond registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

FORM OF PURCHASER'S LETTER

City of King City
212 South Vanderhurst Avenue
King City, California 93930

Re: City of King City (Monterey County, California) Taxable Wastewater Refunding Revenue Bonds, Series 2018

Ladies and Gentlemen:

The undersigned (the "Purchaser"), being the purchaser of the above-referenced bonds (the "Bonds") does hereby certify, represent and warrant for the benefit of the City of King City (the "City") and Wells Fargo Bank, National Association, as trustee (the "Trustee") that:

(a) The Purchaser (MARK OR INDICATE APPROPRIATELY):

is a qualified institutional buyer" (a "Qualified Institutional Buyer") within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act"),

is an "accredited investor" as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act (an "Accredited Investor"), or

is a trust, partnership, custodial arrangement or similar entity, interests in which are offered and sold in a private placement or limited offering only to Qualified Institutional Buyers or Accredited Investors.

(b) The Purchaser understands that the Bonds have not been registered under the United States Securities Act of 1933, as amended, or under any state securities laws. The Purchaser agrees that it will comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Bonds by it, and further acknowledges that any current exemption from registration of the Bonds does not affect or diminish such requirements.

(c) The Purchaser is not now and has never been controlled by, or under common control with, the City. The City has never been and is not now controlled by the Purchaser. The Purchaser has entered into no arrangements with the City or with any affiliate in connection with the Bonds, other than as disclosed to the City.

(d) The Purchaser has authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds. The individual who is signing this letter on behalf of the Purchaser is a duly appointed, qualified, and acting officer of the Purchaser and is authorized to cause the Purchaser to make the certificates, representations and warranties contained herein by execution of this letter on behalf of the Purchaser.

(e) The Purchaser has been informed that the Bonds (i) have not been and will not be registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any jurisdiction, and (ii) will not be listed on any stock or other securities exchange.

(f) The Purchaser acknowledges that it has the right to sell and transfer the Bonds, subject to compliance with the transfer restrictions set forth in Section 2.05 of the Indenture of Trust, dated as of May 1, 2018, by and between the City and the Trustee (the "Indenture"), including in certain circumstances the requirement for the delivery to the City and the Trustee of a letter in the same form as this Investor's Letter, including this paragraph. Failure to comply with the provisions of Section 2.05 of the Indenture shall cause the purported transfer to be null and void.

(h) Neither the Trustee nor Bond Counsel, or any of their employees, counsel or agents will have any responsibility to the Purchaser for the accuracy or completeness of information obtained by the Purchaser from any source regarding the City or its financial condition, the provision for payment of the Bonds, or the sufficiency of any security therefor. The Purchaser acknowledges that, as between the Purchaser and all of such parties, the Purchaser has assumed responsibility for obtaining such information and making such review as the Purchaser deemed necessary or desirable in connection with its decision to purchase the Bonds.

(i) The Purchaser acknowledges that the Bonds are exempt from the requirements of Rule 15c2-12 of the Securities and Exchange Commission and that the City has not undertaken to provide any continuing disclosure with respect to the Bonds, except as otherwise provided in the Indenture.

The Purchaser acknowledges that the sale of the Bonds to the Purchaser is made in reliance upon the certifications, representations and warranties herein by the addressees hereto. Capitalized terms used herein and not otherwise defined have the meanings given such terms in the Indenture.

[PURCHASER]

By _____
Name _____
Title _____



Item No. 9(1)

REPORT TO THE CITY COUNCIL

DATE: JUNE 11, 2019

TO: CITY COUNCIL

FROM: STEVEN ADAMS, CITY MANAGER

RE: CONSIDERATION OF APPOINTMENTS TO THE PARKS AND RECREATION COMMISSION

RECOMMENDATION:

It is recommended the City Council adopt a Resolution reappointing Tiffany Singh and appointing Trina Hearne and Cheryl Harrison to the Parks and Recreation Commission.

BACKGROUND:

According to the Municipal Code, the Mayor, City Manager and Commission or Committee Chair shall recommend commission appointments. All appointments shall then be made by the City Council by resolution.

DISCUSSION:

There are currently two vacancies on the Parks and Recreation Commission due to the expiration of the terms for Sharlene Hughes and Ricky Humphreys. In addition, the term of Tiffany Singh has expired, but she has applied to be reappointed for another term. The vacancies were advertised as required by the Municipal Code. Applications were received from Trina Hearne and Cheryl Harrison, which are attached. The Mayor, City Manager and Vice-Chair reviewed the applications, interviewed the applicants, and recommend their appointment. All the applicants meet the requirements of the Parks and Recreation Commission membership.

COST ANALYSIS:

There is no cost impact from the recommended action.

**CITY COUNCIL
CONSIDERATION OF APPOINTMENTS TO THE PARKS AND
RECREATION COMMISSION
JUNE 11, 2019
PAGE 2 OF 2**

ENVIRONMENTAL REVIEW:

Appointments are not a "project" for the purposes of the California Environmental Quality Act (CEQA) as they do not have the potential for resulting in either a direct physical change to the environment or a reasonably foreseeable indirect physical change in the environment. No further action is required under CEQA for City Council action.

ALTERNATIVES:

The following alternatives are presented for Council consideration:

1. Approve the appointments;
2. Approve some, but not all of the appointments;
3. Request the vacancy be re-advertised; or
4. Provide other direction to staff.

Exhibits:

1. Tiffany Singh Application
2. Trina Hearne Application
3. Cheryl Harrison Application

Prepared and Approved by:



Steven Adams, City Manager

RESOLUTION NO. _____

**A RESOLUTION OF CITY COUNCIL OF CITY OF KING, CALIFORNIA REAPPOINTING
TIFFANY SINGH AND APPOINTING TRINA HEARNE AND CHERYL HARRISON TO THE
PARKS AND RECREATION COMMISSION**

WHEREAS, consistent with the State Law, City of King Municipal Code and City Charter, City Council has the authority to appoint Parks and Recreation Commission Members for the City of King; and

WHEREAS, there are currently two vacancies on the Parks and Recreation Commission and one additional expired term; and

WHEREAS, the vacancies were duly publicized to the community; and

WHEREAS, applications were received from Tiffany Singh, Trina Hearne, and Cheryl Harrison, which were reviewed per the process set forth in the King City Municipal Code for appointment of Commission vacancies; and

WHEREAS, reappointment of Tiffany Singh and appointment of Trina Hearne and Cheryl Harrison were recommended by the Mayor, City Manager and Commission Vice-Chair.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of King, California that Tiffany Singh is hereby reappointed and Trina Hearne and Cheryl Harrison are hereby appointed to the City of King Parks and Recreation Commission.

PASSED AND ADOPTED at a regular meeting of the City Council on the 11th day of June, 2019, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Mike LeBarre, Mayor

ATTEST:

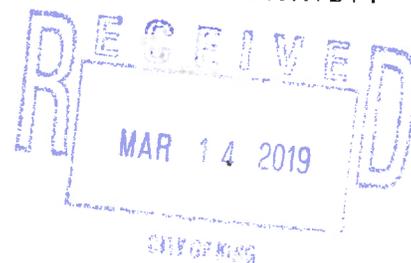
Steven Adams, City Clerk

APPROVED AS TO FORM:

Roy Santos, City Attorney



**CITY OF KING
APPLICATION**



FOR APPOINTMENT TO
COMMISSIONS, COMMITTEES, AND BOARDS

Please print or type the following information:

Name: Tiffany L. Singh

Address: 629 Livingston Avenue, King City

Telephone (day): 831-596-6934 fax/e-mail (optional) tsingh@kcusd.org

Commission/Committee/Board applying for: Recreation Commission

Describe your interest in becoming a member of this commission/committee/board:

I am a long-time King City resident, vice principal of a
local school, and I am very interested in ensuring that
the city provides recreation opportunities for children and
adults in our community.

Background relevant to this commission/committee/board:

I have been on the Rec Commission for one term. I would like to
continue to serve on the Commission.

Other comments:

Applicant's Signature

March 14, 2018

Date

RETURN TO: City Hall, 212 S. Vanderhurst Ave., King City, CA 93930
Ph (831) 386-5932 * Fx (831) 385-0373



CITY OF KING APPLICATION

FOR APPOINTMENT TO COMMISSIONS, COMMITTEES, AND BOARDS

Please print or type the following information:

Name: Trina Hearne

Address: PO Box 1445 KC

Telephone (day): 831 809 7051 fax/e-mail (optional) trinahearne@yahoo.com

Commission/Committee/Board applying for: Rec Comm.

Describe your interest in becoming a member of this commission/committee/board:

Lifelong member of community - children involved in many
Rec. Activities.

Background relevant to this commission/committee/board:

I've been on many boards and committees and would
enjoy being on this one.

Other comments:

[Signature]
Applicant's Signature

4/23/19
Date



**CITY OF KING
APPLICATION**



**FOR APPOINTMENT TO
COMMISSIONS, COMMITTEES, AND BOARDS**

Please print or type the following information:

Name: Cheryl Harrison

Address: 238 Beverly Ct

Telephone (day): 8313203256 fax/e-mail (optional) Cbb5656@yahoo.com

Commission/Committee/Board applying for: Rec board

Describe your interest in becoming a member of this commission/committee/board:

To help ensure that there are activities for
all ages of our community. Also
that the recreational spaces are
maintained & in good order

Background relevant to this commission/committee/board:

I have been on several boards &
worked numerous times on
community activities & functions

Other comments:

Applicant's Signature

5-6-19
Date



Item No. 9(J)

REPORT TO THE CITY COUNCIL

DATE: JUNE 11, 2019

TO: CITY COUNCIL

FROM: STEVEN ADAMS, CITY MANAGER

RE: CONSIDERATION OF CONFIRMATION OF ELECTION AND APPOINTMENT OF KING CITY VOLUNTEER FIRE DEPARTMENT OFFICERS AND ENGINEERS

RECOMMENDATION:

It is recommended the City Council: 1) approve confirmation of the election of the following 2019-20 King City Volunteer Fire Department Officers; 2) approve appointment of the following Chief Engineer and First Assistant Engineer; and 3) approve confirmation of other following engineer positions:

- Chief: Russ Nichols
- First Assistant Chief: Matthew Owens
- Second Assistant Chief: Michael Hearne
- Secretary/Treasurer: Tom Nuck
- Chief Engineer: Steve Rianda
- First Assistant Engineer: John Nuno
- Second Assistant Engineer: Carlos Perez, Jr.
- Third Assistant Engineer: Mark Silveira
- Fourth Assistant Engineer: Ty Caulk
- Fifth Assistant Engineer: Cody Young
- Sixth Assistant Engineer: Cole Lambert

BACKGROUND:

Section 2.20.030 of the King City Municipal Code sets forth that Fire Chief, First Assistant Chief, Second Assistant Chief, Secretary and Treasurer shall be elected from among the members of the Volunteer Fire Department and subject to confirmation by the City Council. The election is to be held on the first Tuesday in June of each year and the confirmation shall take place at the first meeting of the City Council following the election.

**CITY COUNCIL
CONSIDERATION OF CONFIRMATION OF ELECTION OF KING CITY
VOLUNTEER FIRE DEPARTMENT OFFICERS AND ENGINEERS
JUNE 11, 2019
PAGE 2 OF 2**

In addition, the City Council shall appoint the Chief Engineer and First Assistant Engineer. These Engineers shall select a second, third, fourth, fifth and sixth assistant engineer, subject to approval of the City Council.

DISCUSSION:

The King City Volunteer Fire Department held their election of officers and selection of engineers. Per the King City Municipal Code, the list of officers and engineers is now presented to the City Council for consideration of confirmation and appointment.

COST ANALYSIS:

There is no cost associated with this proposed action.

ENVIRONMENTAL REVIEW:

The confirmation and appointments are not considered a project for the purposes of CEQA and have no potential for resulting in either a direct or indirect impact to the environment. Therefore, no additional action is necessary.

ALTERNATIVES:

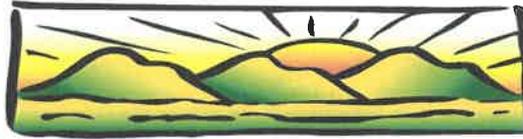
The following alternatives are presented for Council consideration:

1. Approve the confirmation and appointments;
2. Provide direction to staff to request changes to the confirmation and/or appointments;
3. Do not approve the proposed action and direct staff to amend the process in the Municipal Code; or
4. Provide staff other direction.

Prepared and Approved by:



Steven Adams, City Manager



KING CITY
C A L I F O R N I A

Item No. 10(A)

REPORT TO THE CITY COUNCIL

DATE: JUNE 11, 2019

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: DOREEN LIBERTO, AICP, COMMUNITY DEVELOPMENT DIRECTOR

RE: CONSIDERATION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KING APPROVING ZONING DISTRICT AND HISTORIC CORRIDOR REVITALIZATION PLAN AMENDMENTS ON 119 NORTH VANDERHURST AVENUE (RZ CASE NO. 2019-001)

RECOMMENDATION:

It is recommended that the City Council open the public hearing, consider public testimony, introduce and conduct the first reading of the Ordinance, by title only, and set the second reading and adoption for the next regularly scheduled Council meeting of June 25, 2019.

BACKGROUND:

The applicant, Janet/John Buttgereit, is requesting that 119 N. Vanderhurst Avenue (an approximate 22,500 square foot parcel) be included in the Historic Corridor Revitalization Plan ("**HCRP**") boundary and rezoned from a Multiple Family Residential/Professional Offices Zoning District ("**R-4**") to a Village Business ("**VB**") Zoning District. (**Reference Figure 1.**)

At this time, the applicant wants to rent a former appraisal office, estimated to be under 1,000 square feet in area, to an antique retail shop owner. The existing R-4/N Zoning District does not allow retail commercial uses. If approved, the VB Zoning District would expand the allowable uses to include small retail stores up to 8,000 square feet. The VB zone also permits residential uses and offices. The Zoning District change would permit the applicant to rent the former office space for retail or office uses.

CITY COUNCIL

CONSIDERATION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KING APPROVING ZONING DISTRICT AND HISTORIC CORRIDOR REVITALIZATION PLAN AMENDMENTS ON 119 NORTH VANDERHURST AVENUE (RZ CASE NO. 2019-001)

JUNE 11, 2019

PAGE 2 OF 5

The existing multi-use building was originally constructed as a United Service Organization (“**USO**”) facility. The USO is a nonprofit-charitable corporation that provides live entertainment and other programs for members of the United States Armed Forces and their families. The building probably dates from around 1941 when the USO was formed to serve soldiers and veterans of World War II. The USO ended use of the building years ago. Over the years, the building was converted to other uses, including a roller skating rink.

The existing building contains nine (9) apartment units, an insurance office and a beauty shop. The existing apartment units are primarily small one-room studio type units. The apartments were created several years ago from a space that was formerly the roller-skating rink. There are also fifteen (15) off-street parking spaces to serve existing land uses. Adequate parking will have to be provided for future uses pursuant to Table 4.6 of the HCRP.

On June 4, 2019, the Planning Commission recommended On June 4, the planning commission adopted resolution number 2019-254 recommending the City Council adopt an ordinance to re-zone the property located at 119 North Vanderhurst from R-4 to VB.

Figure 1 – Site Location



**CITY COUNCIL
CONSIDERATION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
KING APPROVING ZONING DISTRICT AND HISTORIC CORRIDOR
REVITALIZATION PLAN AMENDMENTS ON 119 NORTH VANDERHURST AVENUE
(RZ CASE NO. 2019-001)
JUNE 11, 2019
PAGE 3 OF 5**

DISCUSSION:

The applicant has requested the change from a R-4/N Zoning District to a VB Zoning District because they want to include commercial retail, as well as offices and apartments within their existing building located at 119 North Vanderhurst Avenue. The building is unique within the region, having a history as a site that provided servicemen with ongoing entertainment during World War I and the Korean War. It also served as a site for entertaining local residents and visitors to King City during the period when the building housed a roller-skating rink. The architecture of the building is unique and reflects the period of the 1940's when it was constructed by the USO.

The General Plan designation is High Density Residential. Adjacent Zoning Districts and land uses include a mix of commercial and office uses, as well as apartments which will be consistent with the proposal to change this site to VB Zoning District. General Plan Land Use Policy 3.2.3 recommends allowing a mix of residential and commercial development along First Street and the Historic Downtown. Per Chapter 7 of the General Plan Land Use Element, the High-Density Residential Land Use category allows certain commercial uses. Therefore, the Zoning District change is consistent with the General Plan.

The City purchased the property located on the northeast corner of Broadway Street and North Vanderhurst Avenue, which is in close proximity to the proposed site of the zone change. A downtown plaza is planned for the City's property. The City's goal is to have the plaza constructed by 2021. The City's property has an existing building, which will be converted into a History Center/Chamber of Commerce Office. The scope includes demolishing an existing structure on the corner. Retail commercial uses on the subject property, as allowed within the VB Zoning District, would be compatible with and complement the proposal for the nearby new City Plaza project.

The proposed change in zoning would be beneficial to the Historic Downtown area because:

1. It would allow a mix of residential; office and commercial retail uses that are attractive to visitors and tourists, especially across the street from the future City plaza.
2. Visitors to the new store at 119 North Vanderhurst Avenue may also shop at other stores in the Historic Downtown and possibly eat at local restaurants. Changing the Zoning District to VB may improve the economy of the Historic Downtown and City by allowing the addition of commercial uses.

CITY COUNCIL

CONSIDERATION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KING APPROVING ZONING DISTRICT AND HISTORIC CORRIDOR REVITALIZATION PLAN AMENDMENTS ON 119 NORTH VANDERHURST AVENUE (RZ CASE NO. 2019-001)

JUNE 11, 2019

PAGE 4 OF 5

3. Retail uses would be consistent with nearby land uses.
4. The zoning district directly across North Vanderhurst Avenue is also VB. The zoning to the south of the site is Village Core (“VC”). The adjacent land use to the south is the City Public Library and the parking lot for the library. Therefore, the requested change will be consistent with the other side of the street and create a more uniform character for that block of Vanderhurst Avenue, which will serve as an extension of the Broadway Street historic downtown area.
5. The VB zoning would also allow the existing apartments and office within the building, thus preventing creation of non-conforming uses.
6. There are no known negative aspects to the proposed change.

The proposed Zoning District change would be consistent with the General Plan Land Use Element, including the following:

1. General Plan Land Use Element Policy 1.3.1: The City shall assure that adequate sites are available for both new and existing commercial land uses to provide space for retail uses, business services, offices, and visitor-serving uses.

Comment: The project would provide additional space for retail commercial while still providing space for residential uses. The Zoning District change would be consistent with the General Plan.

2. General Plan Land Use Element Policy 3.1.1: The City shall promote the availability of commercial sites to accommodate a mix of retailing, tourist related commercial and service uses, wholesaling, dining and entertainment, professional and business services, and shopping center developments consistent with the environmental, social, and economic goals of the City.

Comment: The VB Zone allows a mix of commercial, retail service, office and residential land uses. The Zoning District change would be consistent with the General Plan.

3. Chapter 7 of the General Plan Land Use Element: The existing General Plan designation of High Density Residential allows certain commercial uses, as reflected in the VB Zoning District.

Comment: The Zoning District change to VB is consistent with the High Density Residential land use designation.

**CITY COUNCIL
CONSIDERATION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
KING APPROVING ZONING DISTRICT AND HISTORIC CORRIDOR
REVITALIZATION PLAN AMENDMENTS ON 119 NORTH VANDERHURST AVENUE
(RZ CASE NO. 2019-001)
JUNE 11, 2019
PAGE 5 OF 5**

No changes are proposed to the language or tables contained in the Historic Corridor Revitalization Plan.

ENVIRONMENTAL REVIEW:

Staff has performed a preliminary environmental assessment of this project and, pursuant to CEQA Guidelines, section 15061(b)(3), has determined with certainty that there is no possibility that this project may have a significant effect on the environment. This is because the proposal would not substantially change the intensity of use within the existing building and would be consistent with adjacent land uses and land use designations. Therefore, this project is not subject to CEQA.”

COST ANALYSIS:

There are no anticipated fiscal impacts from the recommended action.

ALTERNATIVES:

The following alternatives are provided for City Council consideration:

1. Conduct the first reading of the Ordinance, which amends the Zoning District from R-4/N to VB; or
2. Direct staff to make modifications to the Ordinance and reintroduce it at the next meeting; or
3. Do not conduct the first reading of the Ordinance; or
4. Provide other direction to staff.

Exhibits:

1. Planning Commission Staff Report and Resolution No. 2019-254
2. City Council Ordinance

Submitted by:  FOR Doreen Liberto
Doreen Liberto, AICP, Community Development Director

Approved by: 
Steven Adams, City Manager



Item No. 7(A)

REPORT TO THE PLANNING COMMISSION

DATE: JUNE 4, 2019

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO, AICP, COMMUNITY DEVELOPMENT DIRECTOR

BY: DONALD J. FUNK, PRINCIPAL PLANNER & MARICRUZ AGUILAR, ASSISTANT PLANNER

RE: ZONING CODE AMENDMENT AND HISTORIC CORRIDOR REVITALIZATION PLAN AMENDMENT TO CHANGE 119 NORTH VANDERHURST AVENUE, ASSESSOR'S PARCEL NUMBER 026-162-001, FROM MULTIPLE FAMILY RESIDENTIAL AND PROFESSIONAL OFFICES (R-4/N) DISTRICT TO VILLAGE BUSINESS (VB) (RZ CASE NO. 2019-001)

RECOMMENDATION

Staff recommends the Planning Commission adopt the attached Resolution No. 219-254, which recommends the City Council approve Rezoning Case No. 2019-001 to change APN 026-162-001 from the Multiple Family Residential and Professional Offices (R-4/N) Zoning District to Village Business (VB) Zoning District.

BACKGROUND

The applicants, Janet Buttgereit & John Buttgereit, are requesting that 119 N. Vanderhurst Avenue (an approximate 22,500 square foot property) be included in the Historic Corridor Revitalization Plan ("**HCRP**") boundary and rezone the property from Multiple Family Residential/Professional Offices District ("**R-4**") to Village Business ("**VB**"). The zone change would allow this property to use an existing office space into a commercial retail store. (**Reference Figure 1.**) The HCRP, which includes a Form-Based Code and was adopted by Ordinance No. 2011-692 on January 25, 2011.

The existing R-4/N Zoning District allows residential uses and a variety of professional office uses. The R-4/N zone does not allow retail stores. The proposed VB Zoning District allows a mix of residential uses, professional offices and small commercial uses under 8,000 square feet in area. The primary intent of the VB Zoning District is to

“regulate the physical form of commercial buildings to ensure an appropriate transition between the Village Core and the adjacent residential neighborhoods.”

If the City adopts the zone change to VB, their proposed retail use (an antique store) could be permitted without a Conditional Use Permit as long as the store is: 1. Less than 8,000 square feet of floor area and; 2. Operates only during the hours between 7 a.m. and 9 p.m., and; 3. Complies with all other regulations of the Municipal Code and Historic Corridor and Revitalization Plan as well as other laws applicable to commercial buildings, including, but not limited to handicap access, parking standards, and fire protection. No architectural changes are currently proposed by the owners of the property. The current use of the front of the building is professional office. The current use of the rear of the building is residential apartments.

The site is an existing multi-use building originally constructed as a United Service Organization (USO) facility. The USO is a nonprofit-charitable corporation that provides live entertainment and other programs for members of the United States Armed Forces and their families. The building probably dates from around 1941 when the USO was formed to serve soldiers and veterans of World War II. The USO was initially disbanded in 1947, but was revived in 1950 for the Korean War, after which it continued on, also providing peacetime services. During the Vietnam War, USO social facilities ("USOs") were sometimes located in combat zones. Likely the USO building on this site was used for typical activities such as entertainment and other services for the troops during and after the war.

The USO ended use of the building years ago. Over the years, the building was converted to other uses. At one time, the western portion of the building housed a roller-skating rink. There are now nine (9) apartment units, an insurance office and a beauty shop within the existing building. The existing apartment units are primarily small one-room studio type units. The apartments were created several years ago from a space that was formerly the roller-skating rink. There are also fifteen (15) off-street parking spaces to serve existing land uses. Adequate parking will have to be provided for future uses pursuant to Table 4.6 of the Historic Corridor and Revitalization Plan.

The applicant desires to rent their former appraisal office, estimated to be under 1,000 square feet in area, to an antique retail shop owner. The existing R-4/N zone allows residential uses and offices but does not allow retail stores. If approved, the VB zone would expand the allowable uses to include small retail stores up to 8,000 square feet. The VB zone also permits residential uses and offices. The change would permit the applicant to rent the former office space for retail or office uses. Site of change is shown on **Figure 1**.

The City purchased the property located on the northeast corner of Broadway Street and North Vanderhurst Street, in close proximity to the proposed site of the zone change. A downtown plaza is being proposed for that property. The City is conducting public workshop to discuss the design. The City's goal is to have the plaza constructed

by 2021. The property has an existing building which will be converted into a History Center/Chamber of Commerce Office. The scope also includes demolishing an existing structure on the corner. Retail commercial uses on the subject property, as allowed with the VB Zoning District, would be compatible with and complement the proposals for the nearby new City Plaza project.

Figure 1 – Site Location



DISCUSSION

The applicants have requested the change from R-4/N to VB zoning category because they desire to include commercial retail as well as offices and apartments within their existing building at 119 North Vanderhurst Avenue. The building is unique within the region, having a history as a site that provided servicemen with on-going entertainment during World War I and the Korean War. It also served as a site for entertaining local residents and visitors to King City during the period when the building housed a roller-skating rink. The architecture of the building is unique and reflects the period of the 1940's when it was constructed by the USO.

The General Plan designation is High Density Residential. Adjacent Zoning Districts and land uses include a mix of commercial and office uses as well as apartments which will be consistent with the proposal to change this site to VB. Also, Policy 3.2.3 of the Land Use Element of the General Plan recommends "allowing a mix of residential and commercial development" within the Historic Downtown. Further, the Land Use Element states in the description of the High-Density Residential Land Use category that "certain commercial uses are permitted." Therefore, the Zoning District change would consistent with the General Plan policy recommending a mix of land uses and would encourage residential, office and commercial uses that are compatible with adjacent land uses.

The proposed change in zoning would be beneficial to the Historic Downtown area:

1. It would allow a mix of residential, office and commercial retail uses that are attractive to visitors and tourists, especially across the street from the future City plaza.
2. Visitors to the new store at 119 North Vanderhurst Avenue may also shop at other stores in the Downtown and possibly eat at local restaurants. Often, shoppers visit nearby commercial establishments, especially those within walking distance of a new commercial use. Changing the zoning category to VB may improve the economy of the Historic Downtown and City by allowing the addition of commercial uses.
3. Retail uses would be consistent with nearby land uses.
4. The zoning district directly across North Vanderhurst Avenue is also VB. The zoning to the south of the site is Village Core (VC). The adjacent land use to the south is the City Public Library and the parking lot for the library.
5. The VB zoning would also allow the existing apartments and office within the building.
6. There are no known negative aspects to the proposed change.

The proposed zone change would be consistent with the following General Plan Land Use Element Policies:

1. General Plan Land Use Element Policy 1.3.1: The City shall assure that adequate sites are available for both new and existing commercial land uses to provide space for retail uses, business services, offices, and visitor-serving uses.

Comment: The project would provide additional space for retail commercial while still providing space for residential uses. The change would be consistent with the General Plan.

2. General Plan Land Use Element Policy 3.1.1: The City shall designate eight types of commercial land use categories: F-S Freeway Service Commercial; HS Highway Service Commercial; C-1 Retail Commercial; C-2 General Commercial; FSC First Street Corridor, VC Village Core, VB Village Business, and C-N Neighborhood Commercial. In addition, a "T" Transitional overlay is established for the upper Broadway area. Within these land use categories, the City shall promote the availability of commercial sites to accommodate a mix of retailing, tourist related commercial and service uses, wholesaling, dining and entertainment, professional and business services, and shopping center

developments consistent with the environmental, social, and economic goals of the City.

Comment: The project would add 22,500 square feet of VB Village Business zoned land area in the Downtown. The VB Zone allows a mix of commercial, service, office and residential land uses and would be consistent with the General Plan.

No changes are proposed to the language or tables contained in the Historic Corridor Revitalization Plan.

ENVIRONMENTAL DETERMINATION:

Staff has performed a preliminary environmental assessment of this project and, pursuant to CEQA Guidelines, section 15061(b)(3), has determined with certainty that there is no possibility that this project may have a significant effect on the environment. This is because the proposal would not substantially change the intensity of use within the existing building and would be consistent with adjacent land uses and land use designations. Therefore, this project is not subject to CEQA.”

Attachments:

Exhibit 1 – Resolution of the Planning Commission recommending that the City Council approved Zoning Map and Historic Corridor and Revitalization Plan maps changing the zoning of the 22,500 square foot site from Residential Multiple Family and Professional Office (R-4/N) to Village Business (VB) zoning designation (with attachments)

Attachment 1 – Existing Page 43 of Historic Corridor & Revitalization Plan

Attachment 2 – Proposed Page 43 of Historic Corridor & Revitalization Plan

Attachment 3 – Existing Page 49 of Historic Corridor & Revitalization Plan

Attachment 4 – Proposed Page 49 of Historic Corridor & Revitalization Plan

Attachment 5 – Existing Page 51 of Historic Corridor & Revitalization Plan

Attachment 6 – Proposed Page 51 of Historic Corridor & Revitalization Plan

Attachment 7 – Existing Page 93 of Historic Corridor & Revitalization Plan

Attachment 8 – Proposed Page 93 of Historic Corridor & Revitalization Plan

Attachment 9 – Existing R-4/N Zoning Designation of Site APN 026-162-001

Attachment 10 – Proposed Change of Site APN 026-162-001, From R-4/N to VB

Exhibit 2 – Draft Ordinance of the City Council Amending the Zoning Map and the Historic Corridor and Revitalization Plan maps changing the zoning of the 22,500 square foot site from Residential Multiple Family and Professional Office (R-4/N) to Village Business (VB) zoning designation.

RESOLUTION 2019-254

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING CITY
RECOMMENDING THE CITY COUNCIL APPROVE ZONING MAP AND HISTORIC
CORRIDOR AND REVITALIZATION PLAN MAP AMENDMENTS OF A 22,500
SQUARE FOOT PROPERTY, ASSESSOR'S PARCEL NUMBER APN 026-162-001,
FROM MULTIPLE FAMILY RESIDENTIAL AND PROFESSIONAL OFFICES (R-4/N)
DISTRICT TO VILLAGE BUSINESS (VB) ZONE (CASE NO. RZ 2019-001)**

WHEREAS, John and Janet Buttgereit and Robert and Allie Cullen ("**Applicants**") submitted zoning map amendment application (Case No. RZ 2019-001) to modify the Zoning Code and Historic Corridor Revitalization Plan ("**HCRP**") on a 22,500 square foot parcel located at the southwest corner of Vanderhurst and Lynn Streets from the Multiple Family and Professional Offices Zoning District (R-4/N) to Village Business Zoning District (VB) ("**Project**"); and

WHEREAS, the Project amends the Zoning Map and the Preferred Plan Concept Map (Page 43), The Village Business Map, 3.4 (Page 49), The Neighborhood Map, 3.5 (Page 51) and the Regulating Plan 4.1 of the Historic Corridor and Revitalization Plan and Form Based Code, per **Attachments 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10**; and

WHEREAS, staff has performed a preliminary environmental assessment of the Project and, pursuant to California Environmental Quality Act ("CEQA") Guidelines, section 15061(b)(3), has determined with certainty that there is no possibility that this project may have a significant effect on the environment. This is because the proposal would not substantially change the intensity of use within the existing building and would be consistent with adjacent land uses and land use designations. Therefore, this project is not subject to CEQA; and

WHEREAS, the Planning Commission ("**Commission**") held a duly noticed public hearing, on **June 4, 2019** on the Project at which time they considered the staff report, all information, evidence, and public testimony presented in connection to the project; and

WHEREAS, the Planning Commission now desires to recommend the City Council adopt said amendments and associated finding under CEQA.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Planning Commission of the City of King City as follows:

1. The Planning Commission finds that public necessity, convenience, general welfare, or good zoning practices justify amendment of the zoning map and Historic Corridor Revitalization Plan. Specifically, the change is consistent with the General Plan goals and policies, any operative plan, or adopted policy. The change is also consistent with the purpose of the zoning ordinance to promote the growth of the city in an orderly and sustainable manner, and to promote and protect the public health, safety, peace, comfort, and general welfare. The change is also necessary for good zoning practices to achieve the balance of land uses desired by the City and to provide sites for needed

business development consistent with the General Plan any applicable operative plan, or adopted policy.

2. The Planning Commission of the City of King recommends the City Council approve zoning map amendment application (Case No. RZ 2019-001) to modify the Historic Corridor Revitalization Plan and zoning ordinance on the 22,500 square foot parcel located at the southwest corner of Vanderhurst and Lynn Streets from the Multiple Family and Professional Offices Zoning District (R-4/N) to Village Business Zoning District (VB) as shown on Exhibits 1 and 2. The Planning Commission also recommends the City Council adopt a finding pursuant to CEQA Guidelines, section 15061(b)(3), that it has determined with certainty that there is no possibility that this project may have a significant effect on the environment. This is because the proposal would not substantially change the intensity of use within the existing building and would be consistent with adjacent land uses and land use designations. Therefore, this project is not subject to CEQA.

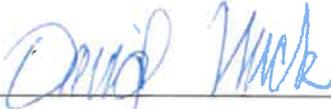
This resolution was passed and adopted this 4th day of June, 2019, by the following vote:

AYES: Nuck, Mendez, Saunders, Uribe

NAYS:

ABSENT: Avalos

ABSTAIN:



DAVID NUCK, CHAIRPERSON

ATTEST: 
ERICA SONNE, SECRETARY TO THE PLANNING COMMISSION

ATTACHMENT 1

EXISTING PAGE 43 OF HISTORIC CORRIDOR & REVITALIZATION PLAN



ATTACHMENT 2

PROPOSED PAGE 43 OF HISTORIC CORRIDOR & REVITALIZATION PLAN



ATTACHMENT 4

PROPOSED PAGE 49 OF HISTORIC CORRIDOR & REVITALIZATION PLAN

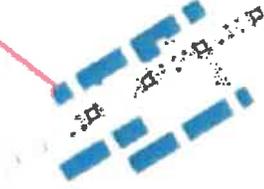
P.4

3.4 Village Business | Aldea de Negocios (VN)

The Village Business or Aldea Negocios (VN) surrounds the Village Core, fronting Lynn and Bassett Streets. The VN serves as a transition between the busier, more densely built Village Core and the residential neighborhoods.

The VN will have local-serving commercial uses including shops, offices, and personal services. Office tenants should generate retail and restaurant activity for local business. Retail and services will be oriented to the street to ensure a pedestrian-friendly atmosphere. Where appropriate, smaller-scale mixed-use buildings can provide live/work building types with residential space above the smaller local businesses. Frontages, setbacks and landscaping in the VN will ensure office and retail uses fit in with neighboring single-family homes already located in the area.

Site



4

ATTACHMENT 6

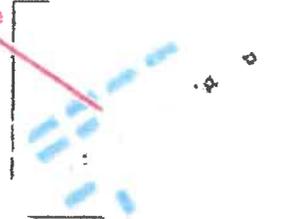
PROPOSED PAGE 51 OF HISTORIC CORRIDOR & REVITALIZATION PLAN

3.5 Historic Corridor
Neighborhood (N)

The Neighborhood or Vecindario (N) is located adjacent to the Village Business, along Lynn and Pearl Streets. This area is mostly residential and has a number of existing historic Victorian homes. These homes should be preserved to enhance the historic feeling of the area, and new development should relate to the existing historic homes.

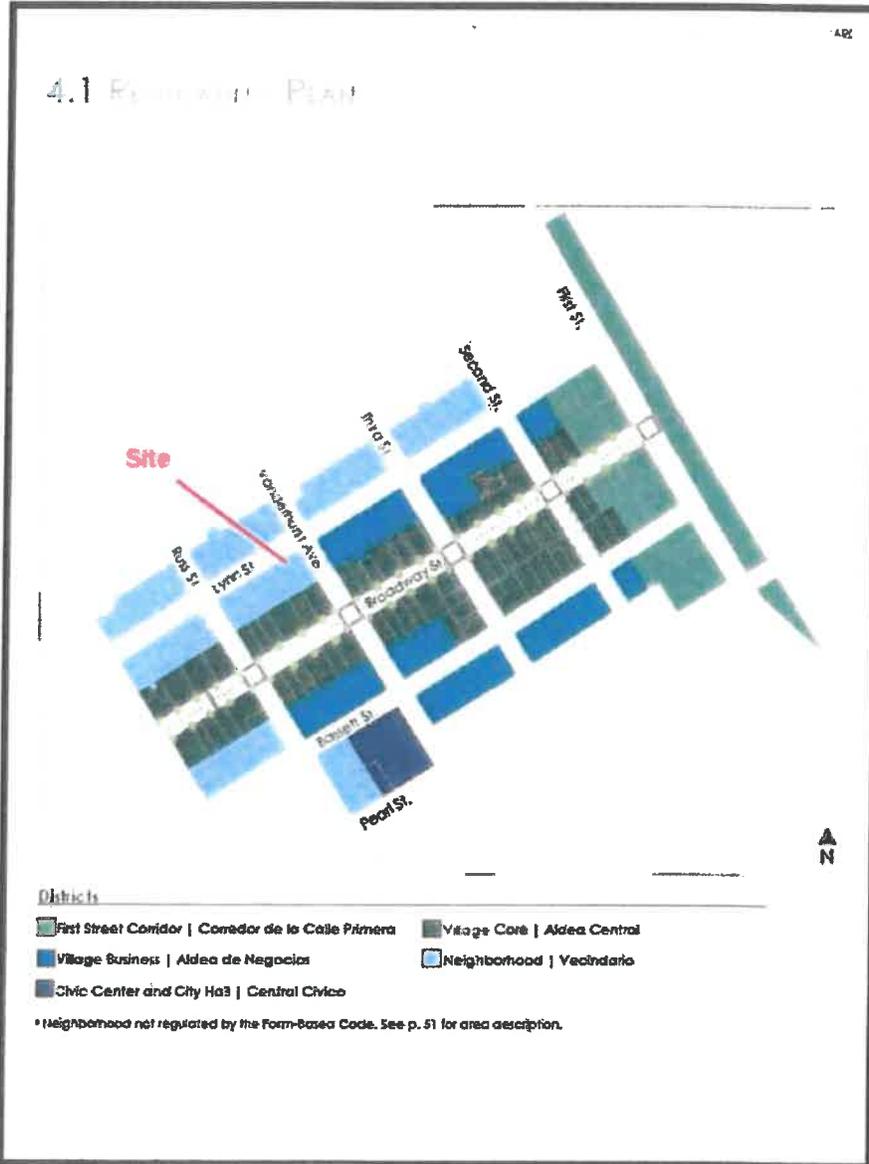
The Neighborhood or Vecindario (N) is discussed here for illustrative purposes but is not included in the Regulating Plan (Section 4.1)

Site



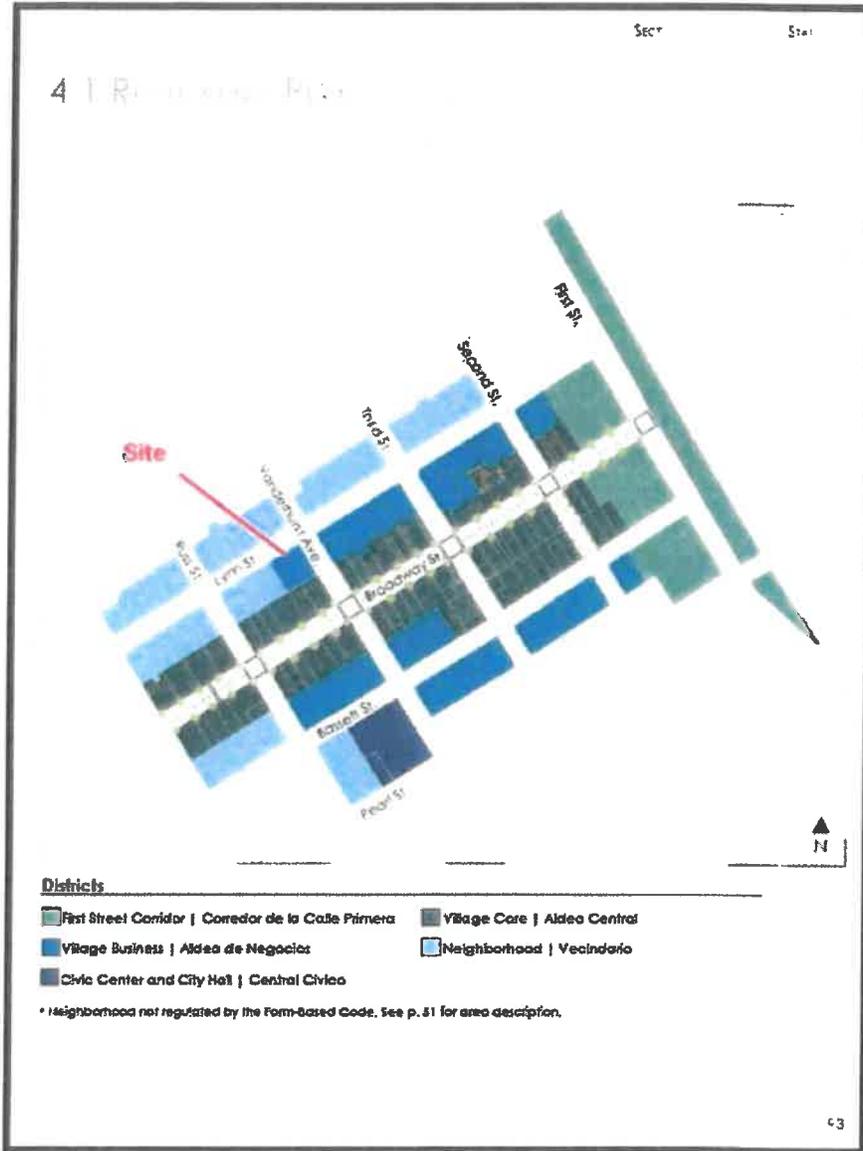
ATTACHMENT 7

EXISTING PAGE 93 OF HISTORIC CORRIDOR & REVITALIZATION PLAN



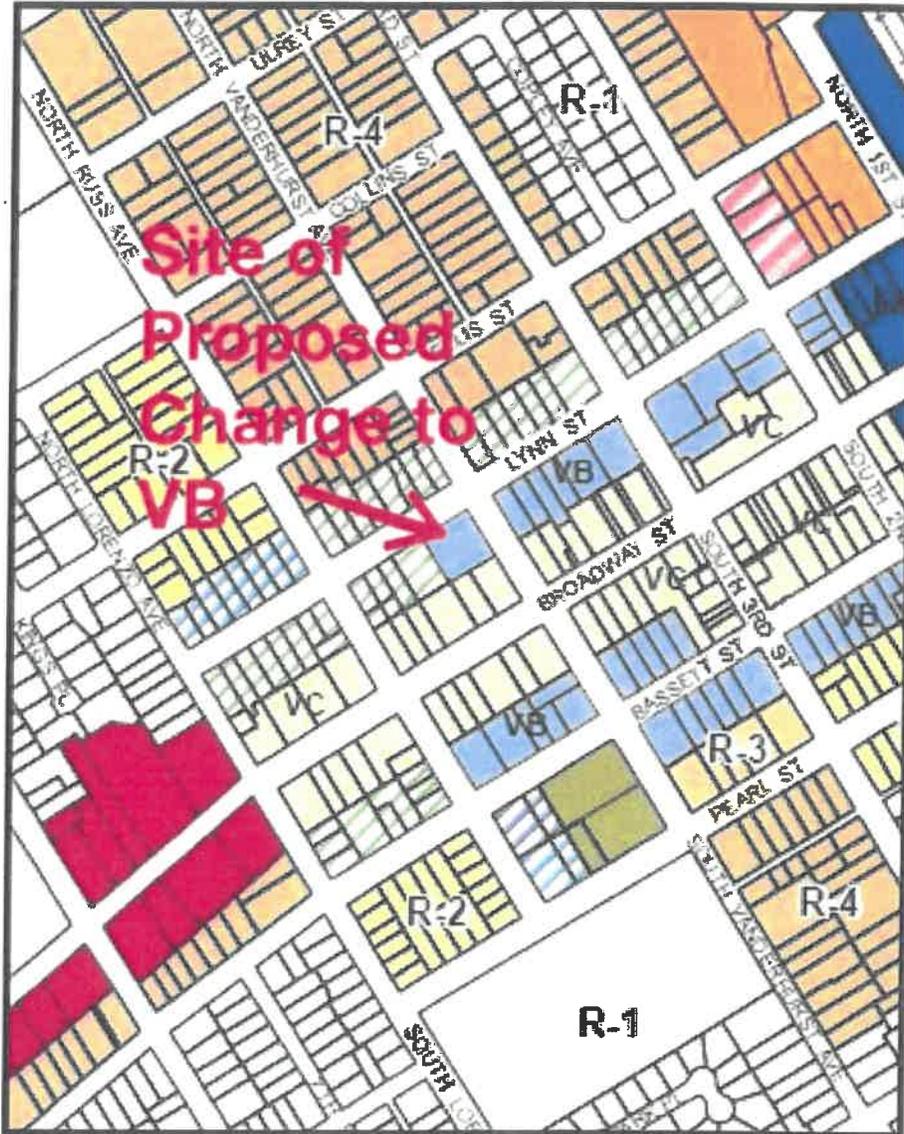
ATTACHMENT 8

PROPOSED PAGE 93 OF HISTORIC CORRIDOR & REVITALIZATION PLAN



ATTACHMENT 10

PROPOSED CHANGE OF SITE APN 026-162-001, FROM R-4/N TO VB



ORDINANCE NO. 2019-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KING TO AMEND THE ZONING CODE AND THE HISTORIC CORRIDOR REVITALIZATION PLAN AND FORM BASED CODE CHANGING THE ZONING DISTRICT FROM MULTIPLE FAMILY RESIDENTIAL AND PROFESSIONAL OFFICES (R-4/N) TO VILLAGE BUSINESS (VB) ON ASSESSOR PARCEL NUMBER 026-162-001

WHEREAS, John and Janet Buttgerreit and Robert and Allie Cullen ("**Applicants**") submitted zoning map amendment application (Case No. RZ 2019-001) to modify the Zoning Code and Historic Corridor Revitalization Plan (HCRP) on a 22,500 square foot parcel located at the southwest corner of Vanderhurst and Lynn Streets from the Multiple Family and Professional Offices Zoning District (R-4/N) to Village Business Zoning District (VB) ("**Project**"), and shown on **Exhibit A**; and

WHEREAS, staff has performed a preliminary environmental assessment of the Project and, pursuant to CEQA Guidelines, section 15061(b)(3), has determined with certainty that there is no possibility that this project may have a significant effect on the environment. This is because the proposal would not substantially change the intensity of use within the existing building and would be consistent with adjacent land uses and land use designations. Therefore, this project is not subject to CEQA; and

WHEREAS, the Planning Commission (Commission) held a duly noticed public hearing, on **June 4, 2019** on the Project at which time they considered the staff report, all information, evidence, and public testimony presented in connection to the project and recommended the City Council (Council) adopt an Ordinance amending the Zoning Map of the City's Zoning Ordinance and HCRP, with the findings of facts, attached as **Exhibit B**;

WHEREAS, the Council conducted a public hearing on June 11, 2019 to consider. The Commission's recommendation, and after considering public testimony, the staff report and all submitted evidence, the Council now desires to approve the ordinance.

NOW THEREFORE, the people of the chartered City of King City do ordain as follows:

SECTION 1. The above recitals are incorporated are hereby by reference.

SECTION 2. The City Council has reviewed the proposed ordinance and hereby finds that is consistent with the General Plan and all applicable Specific Plans.

SECTION 3. The City Council, based upon its own independent judgement, finds that the proposed ordinance promotes and protects the health, safety, welfare and quality of life of City residents, including protections against nuisances.

SECTION 4. The proposed ordinance was assessed in accordance with the authority and criteria contained in CEQA, the State CEQA Guidelines (“CEQA Guidelines”), and the environmental regulations of the City. The City Council finds and determines that the Project is consistent with CEQA Guidelines, section 15061(b)(3) because there is no possibility that this project may have a significant effect on the environment as the proposal would not substantially change the intensity of use within the existing building and would be consistent with adjacent land uses and land use designations. Therefore, this project is not subject to CEQA;

SECTION 5. EFFECTIVE DATE. This Ordinance shall take effect and be in full force and effect from and after thirty (30) calendar days after its final passage and adoption. Within fifteen (15) calendar days after its adoption, the modified Zoning Map shall be published once in a newspaper of general circulation.

I HEREBY CERTIFY that the foregoing Ordinance was introduced by the City Council after waiving reading, except by Title, at a regular meeting thereof held on the 11 day of June 2019, and adopted the Ordinance after the second reading at a regular meeting held on the ___ day of _____, 2019, by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

ATTEST

STEVEN ADAMS, City Clerk

CITY OF KING

By: _____
MIKE LEBARRE, Mayor

APPROVED AS TO FORM:

By _____
Roy Santos, City Attorney
Aleshire & Wynder, LLP

I, _____, City Clerk of the City of King, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Ordinance passed and adopted by the City Council of the City of King on the date and by the vote indicated herein.

Exhibit A

ATTACHMENT 1-10

Of

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KING TO AMEND THE ZONING
CODE AND THE HISTORIC CORRIDOR REVITALIZATION PLAN AND FORM BASED
CODE CHANGING THE ZONING DISTRICT FROM MULTIPLE FAMILY RESIDENTIAL AND
PROFESSIONAL OFFICES (R-4/N) TO VILLAGE BUSINESS (VB) ON ASSESSOR PARCEL
NUMBER 026-162-001**

ATTACHMENT 1

EXISTING PAGE 43 OF HISTORIC CORRIDOR & REVITALIZATION PLAN



ATTACHMENT 2

PROPOSED PAGE 43 OF HISTORIC CORRIDOR & REVITALIZATION PLAN



ATTACHMENT 3

EXISTING PAGE 49 OF HISTORIC CORRIDOR & REVITALIZATION PLAN

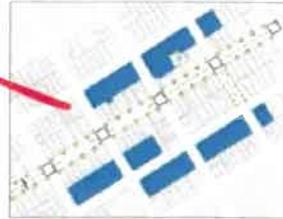
SECTION 3: FORECAST PLAN

3.4 VILLAGE BUSINESS | ALDEA DE NEGOCIOS (VB)

The Village Business or Aldea Negocios (VB) surrounds the Village Core, fronting Lynn and Bassett Streets. The VB serves as a transition between the busier, more densely built Village Core and the residential neighborhoods.

The VB will have local-serving commercial uses including shops, offices, and personal services. Office tenants should generate retail and restaurant activity for local business. Retail and services will be oriented to the street to ensure a pedestrian-friendly atmosphere. Where appropriate, smaller-scale mixed-use buildings can provide live/work building types with residential space above the smaller local businesses. Frontages, setbacks and landscaping in the VB will ensure office and retail uses fit in with neighboring single-family homes already located in the area.

Site



ATTACHMENT 4

PROPOSED PAGE 49 OF HISTORIC CORRIDOR & REVITALIZATION PLAN

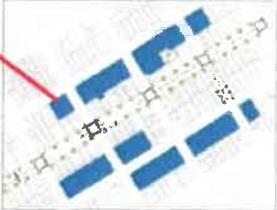
Section 3.4 Proposed Plan

3.4 VILLAGE BUSINESS | ALDEA DE NEGOCIOS (VB)

Site

The Village Business or Aldea Negocios (VB) surrounds the Village Core, fronting Lynn and Bassett Streets. The VB serves as a transition between the busier, more densely built Village Core and the residential neighborhoods.

The VB will have local-serving commercial uses including shops, offices, and personal services. Office tenants should generate retail and restaurant activity for local business. Retail and services will be oriented to the street to ensure a pedestrian-friendly atmosphere. Where appropriate, smaller-scale mixed-use buildings can provide live/work building types with residential space above the smaller local businesses. Frontages, setbacks and landscaping in the VB will ensure office and retail uses fit in with neighboring single-family homes already located in the area.



Existing Condition



49

ATTACHMENT 5

EXISTING PAGE 51 OF HISTORIC CORRIDOR & REVITALIZATION PLAN

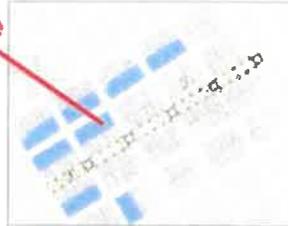
SECTOR 3 Fairview P.L.

3.5 NEIGHBORHOOD | VECINDARIO (N)

The Neighborhood or Vecindario (N) is located adjacent to the Village Business, along Lynn and Pearl Streets. This area is mostly residential and has a number of existing historic Victorian homes. These homes should be preserved to enhance the historic feeling of the area, and new development should relate to the existing historic homes.

The Neighborhood or Vecindario (N) is discussed here for illustrative purposes but is not included in the Regulating Plan (Section 4.1).

Site



Existing Condition



ATTACHMENT 6

PROPOSED PAGE 51 OF HISTORIC CORRIDOR & REVITALIZATION PLAN

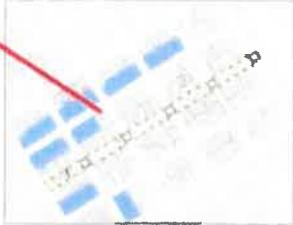
Section 3.5: Planning Plan

3.5 NEIGHBORHOOD | VECINDARIO (N)

The Neighborhood or Vecindario (N) is located adjacent to the Village Business, along Lynn and Pearl Streets. This area is mostly residential and has a number of existing historic Victorian homes. These homes should be preserved to enhance the historic feeling of the area, and new development should relate to the existing historic homes.

The Neighborhood or Vecindario (N) is discussed here for illustrative purposes but is not included in the Regulating Plan (Section 4.1)

Site



Existing Condition



51

ATTACHMENT 7

EXISTING PAGE 93 OF HISTORIC CORRIDOR & REVITALIZATION PLAN



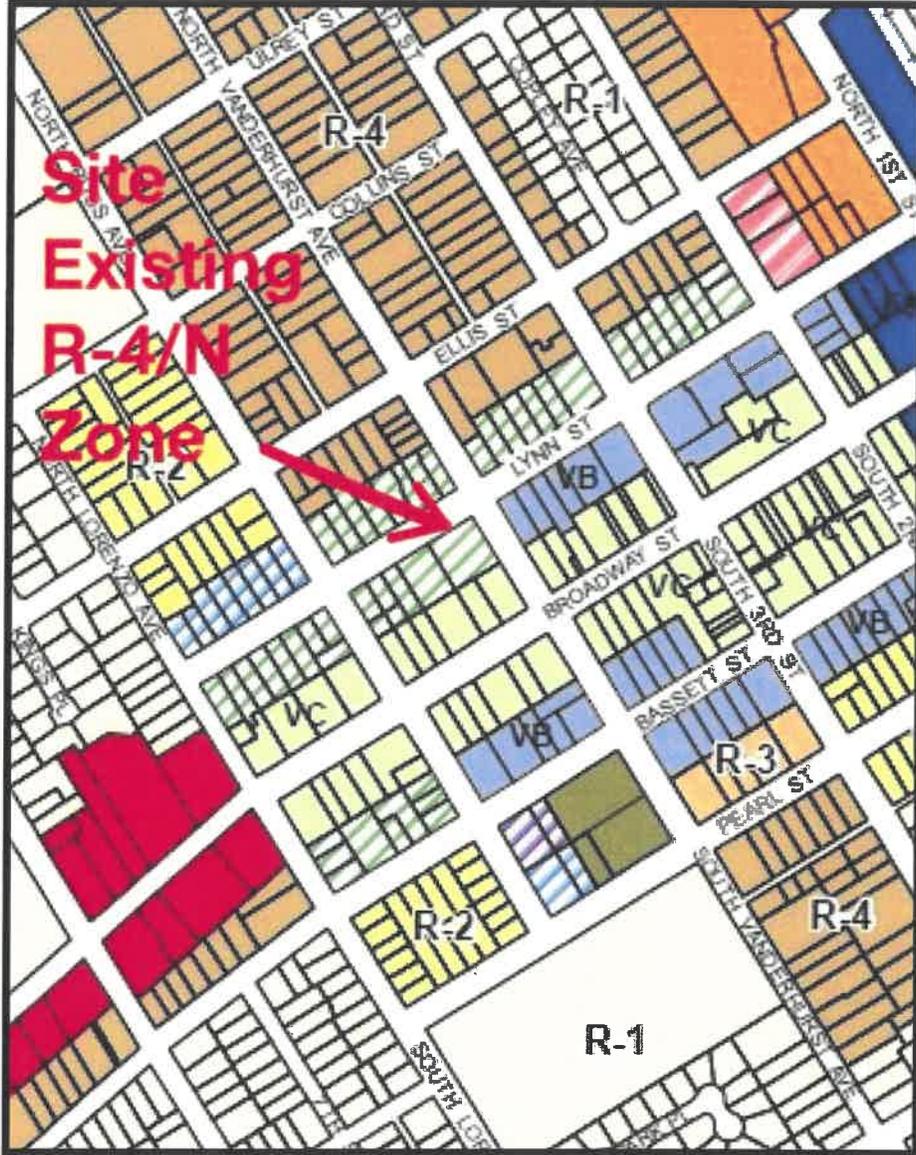
ATTACHMENT 8

PROPOSED PAGE 93 OF HISTORIC CORRIDOR & REVITALIZATION PLAN



ATTACHMENT 9

EXISTING R-4/N ZONING DESIGNATION OF SITE APN 026-162-001



ATTACHMENT 10

PROPOSED CHANGE OF SITE APN 026-162-001, FROM R-4/N TO VB

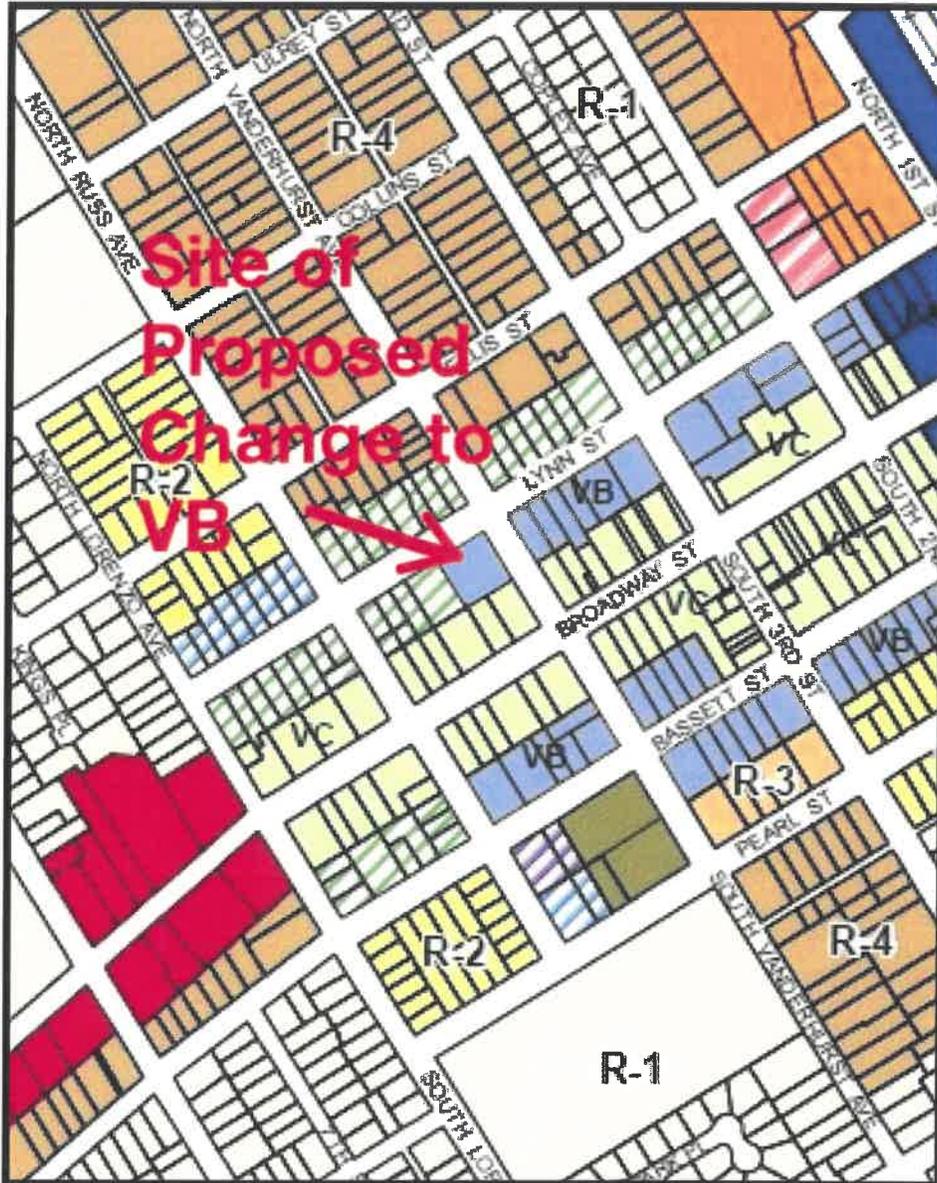


EXHIBIT B

ZONE CHANGE AND CEQA FINDINGS OF FACT

1. **General Plan Text.** The requested zone change conforms to the following General Plan policies.
 - General Plan Land Use Element Policy 1.3.1: “The City shall assure that adequate sites are available for both new and existing commercial land uses to provide space for retail uses, business services, offices, and visitor-serving uses.” *The zone change adds space for retail commercial while still providing space for residential uses. The change would be consistent with the General Plan.*
 - General Plan Land Use Element Policy 3.1.1: “The City shall designate eight types of commercial land use categories: F-S Freeway Service Commercial; HS Highway Service Commercial; C-1 Retail Commercial; C-2 General Commercial; FSC First Street Corridor, VC Village Core, VB Village Business, and C-N Neighborhood Commercial. In addition, a “T” Transitional overlay is established for the upper Broadway area. Within these land use categories, the City shall promote the availability of commercial sites to accommodate a mix of retailing, tourist related commercial and service uses, wholesaling, dining and entertainment, professional and business services, and shopping center developments consistent with the environmental, social, and economic goals of the City.” *The project would add 22,500 square feet of VB Village Business zoned land area in the Downtown. The VB Zone allows a mix of commercial, service, office and residential land uses and would be consistent with the General Plan.*
 - Land Use Element Chapter 7: The General Plan designation of High Density Residential (HDR) allows certain commercial uses. *“The requested zone change would be consistent with the commercial uses allowed under the HDR land use designation.”*
2. **Historic Corridor Revitalization Plan (HCRP).** The HCRP encourages mixed uses which allows easy flow of pedestrian traffic. *The recommended zone change allow a building with mixed uses, including residential, office and retail.*
3. **Public Health and Safety.** The recommended zone change is in conformance with the public necessity, convenience, general welfare and. safety and good zoning practice because:
 - It would allow a mix of residential, office and commercial retail uses that are attractive to visitors and tourists, especially across the street from the future City plaza.

- Visitors to the new store at 119 North Vanderhurst Avenue may also shop at other stores in the Historic Downtown and eat at local restaurants and shop at nearby commercial establishments. Changing the zoning category to VB will help to improve the economy of the Historic Downtown and City by allowing the addition of commercial uses. A City Plaza is planned for the corner of Broadway Street and Vanderhurst Avenue. Retail commercial uses on the subject property, as allowed with the VB Zoning District, would be compatible with and complement the proposals for the nearby new City Plaza project.
- The rezone will protect the best interests of, and assure developments and improvements in the area are more compatible with the surrounding properties, secure an appropriate development in harmony with the General Plan and HCRP, and prevent or mitigate the potential adverse environmental effects of the subject recommended action.

CEQA Finding.

Staff has performed a preliminary environmental assessment of this project and, pursuant to CEQA Guidelines, section 15061(b)(3), has determined with certainty that there is no possibility that this project may have a significant effect on the environment. This is because the proposal would not substantially change the intensity of use within the existing building and would be consistent with adjacent land uses and land use designations. Therefore, this project is not subject to CEQA.”



Item No. 11(A)

REPORT TO THE CITY COUNCIL

DATE: JUNE 11, 2019

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM: STEVEN ADAMS, CITY MANAGER
MIKE HOWARD, DIRECTOR OF FINANCE**

**RE: CONSIDERATION OF FY 2019-20/ FY 2020-21 BIENNIAL
BUDGET AND FY 2019-20 APPROPRIATION LIMIT**

RECOMMENDATION:

It is recommended the City Council: 1) adopt a Resolution approving the FY 2019-20/ FY 2020-21 Biennial Budget; and 2) adopt a Resolution establishing the appropriation limit from tax proceeds for FY 2019-20.

BACKGROUND:

Staff is pleased to present the FY 2019-20/ FY 2020-21 Biennial Budget for the City Council's consideration. The proposed budget was reviewed by the Budget Committee on May 15, 2019 and they recommended approval. The City Council reviewed the draft budget at the May 30, 2019 Budget Workshop and directed staff to proceed with finalizing the budget for adoption with no changes.

Budgets for all funds are incorporated into the budget document. Staff is once again proposing a two-year budget, which is consistent with the budget process approved by the City Council in 2016. At the end of the first year, staff will present a year-end review and recommended budget adjustments for the second year.

The document is a proposed work plan for the upcoming two fiscal years based upon the collective expertise and consensus of the entire City staff leadership team. It is balanced and makes progress toward accomplishing each of the major budget goals/priorities that were approved by the City Council in the first step of the budget process.

**CITY COUNCIL
CONSIDERATION OF FY 2019-20/ FY 2020-21 BIENNIAL BUDGET AND FY
2019-20 APPROPRIATION LIMIT
JUNE 11, 2019
PAGE 2 OF 5**

The major goals that were established for the budget include the following:

- Pay down the City's debt;
- Implement the Plan to End Youth Violence;
- Expand economic development efforts with particular focus on implementing the Downtown Streetscape Conceptual Plan;
- Increase maintenance and upgrade of the City's street, sidewalk and wastewater infrastructure;
- Address the City's housing needs; and
- Improve customer service.

In addition, the City Council approved operational goals for each department, which are also addressed. They are presented in the Overview Section of the budget document along with FY 2017-18/ FY 2018-19 Accomplishments.

DISCUSSION:

Under the proposed budget, it is projected that the negative fund balance in the General Fund will be reduced to approximately \$500,000 by the end of the two-year period. This will represent a decrease from \$5,000,000 in only a six-year period. This reflects a proposed decrease in the General Fund loan from the Sewer Fund in the amount of \$250,000 in FY 2019-20 and \$750,000 in FY 2020-21.

The most significant changes in FY 2019-20 include the following:

- Addition of one Police Officer position
- Addition of one part-time Public Works Maintenance Aide position
- Increase of the part-time Fire Department Administrative Assistant position to full-time
- Increase in annual funding for facility maintenance projects
- Financing purchase of a new Fire engine

Additional highlights in FY 2021-22 include the following:

- Addition of one full-time Public Works Maintenance Worker position
- Addition of one part-time Public Works Maintenance Aide position
- Construction of the Downtown Plaza project
- Initiation of annual streetscape improvement program
- Initiation of annual security camera system expansion program

**CITY COUNCIL
 CONSIDERATION OF FY 2019-20/ FY 2020-21 BIENNIAL BUDGET AND FY
 2019-20 APPROPRIATION LIMIT
 JUNE 11, 2019
 PAGE 3 OF 5**

The primary change in the budget in FY 2019-20 is attributed to the first full year of revenue from the increase in the local sales tax approved by the voters in the November 2018 election. In FY 2020-21, significant increases are also programmed for cannabis tax revenues and sale of land. However, these items are much less certain. As a result, staff has developed contingency plans in the event that these revenues do not meet budgeted amounts. The following General Fund expenditures will be reevaluated at the end of the fiscal year and will be reconsidered if necessary based upon the status of these revenue items at that time:

• Downtown Plaza	\$800,000
• Reduction in General Fund Loan	\$750,000
• Street Improvements	\$150,000
• Streetscape Improvements	\$150,000
• <u>Security Camera Expansion</u>	<u>\$50,000</u>
• Total	\$1,900,000

Most of the budget is dedicated to funding operational costs to provide a base level of service. However, in addition to the contingency items above, other discretionary items include the following:

• ProYouth HEART Program	\$40,000	\$40,000
• On-Campus Probation Officer	\$45,000	\$45,000
• Pre-Diversion Program	\$40,000	\$40,000
• Façade Enhancement Grants	\$60,000	\$60,000
• Block Parties	\$5,000	\$5,000
• Chamber of Commerce	\$5,000	\$5,000
• King City in Bloom	\$5,000	\$5,000
• Volunteer Barbeque	\$3,000	\$3,000
• Tourism Program	\$12,500	\$15,000
• Wayfinding Sign	\$0	\$9,000
• ACCPS Membership	\$750	\$750
• Fireworks Show	\$7,500	\$7,500
• Annual Staff Retreat and Facilitator	\$5,000	\$5,000
• Emergency Response Training	\$5,000	\$5,000
• Workforce Development Program	\$10,000	\$10,000
• Pinnacles Partners	\$2,500	\$2,500
• <u>Budget Contingency</u>	<u>\$15,000</u>	<u>\$20,000</u>
• Total	\$261,250	\$277,750

Therefore, if adjustments or reductions are desired, staff proposes that these are the items that would be most feasible to focus on. Some are more closely linked

**CITY COUNCIL
CONSIDERATION OF FY 2019-20/ FY 2020-21 BIENNIAL BUDGET AND FY
2019-20 APPROPRIATION LIMIT
JUNE 11, 2019
PAGE 4 OF 5**

to the City's major priorities than others. In addition, while they are classified as discretionary because they are separate from basic operations, the City has already made commitments for some of these items through the next fiscal year.

There are other major capital projects funded from grants, special funds and enterprise funds, which do not impact the General Fund. The most significant items include the wastewater treatment plant upgrade, wastewater collection system improvements, Broadway Street/San Antonio Road roundabout, visitor and history center, and rail platform pre-construction activities.

The budget includes a 10-year long-range financial plan. Two scenarios are provided. The base plan projects that cannabis tax revenues will gradually grow to \$2.5 million annually. Under this plan, a number of critical operational and capital needs can be addressed, and the City is projected to reach a 15% reserve by the end of the 10-year period. The second scenario includes a forecast of reaching only \$1.25 million in cannabis tax revenues. This revenue is forecasted to be sufficient to maintain existing operations and a positive General Fund balance, but it is not projected to be sufficient to address increased needs or accumulate a reserve.

Proposition 4 was passed by the voters in 1979, which established a State Constitutional limit on spending for each municipal agency based upon a formula that is calculated each fiscal year. The City's "Gann Limit" was calculated to be \$6,217,600 for FY 2019-20. Since the City's General Fund expenditures are substantially less than this amount, the proposed budget for FY 2019-20 is in compliance with the Appropriations Limit.

COST ANALYSIS:

The total proposed City budget is \$14,234,708 in FY 2019-20 and \$14,838,477 in FY 2020-21. Of this amount, the General Fund accounts for \$8,105,050 in FY 2019-20 and \$10,242,950 in FY 2020-21.

ENVIRONMENTAL REVIEW:

The budget is not a "project" for the purposes of the California Environmental Quality Act (CEQA) as it does not have the potential for resulting in either a direct physical change to the environment or a reasonably foreseeable indirect physical change in the environment. No further action is required under CEQA for City Council action.

**CITY COUNCIL
CONSIDERATION OF FY 2019-20/ FY 2020-21 BIENNIAL BUDGET AND FY
2019-20 APPROPRIATION LIMIT
JUNE 11, 2019
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ALTERNATIVES:

The following alternatives are provided for City Council consideration:

1. Adopt the Resolutions approving the FY 2019-20/ FY 2020-21 Biennial Budget and establishing the Appropriations Limit;
2. Make changes to the Biennial Budget and adopt the Resolutions;
3. Direct staff to make changes and/or provide additional information and postpone consideration of the budget to the June 25, 2019 meeting; or
4. Provide staff other direction.

Prepared and Approved by:



Steven Adams, City Manager

RESOLUTION NO. _____

**A RESOLUTION OF CITY COUNCIL OF CITY OF KING, CALIFORNIA
ADOPTING FISCAL YEAR 2019-20/ FY 2020-21 BIENNIAL BUDGET AND
MAKING APPROPRIATIONS FOR THE AMOUNT BUDGETED**

WHEREAS, a proposed Biennial Budget for the City of King for Fiscal Years commencing on July 1, 2019 and ending June 30, 2021 was submitted to the City Council and is on file with the City Clerk; and

WHEREAS, whereas the City Council also serves as the Board of Directors of the Successor Agency to the Dissolved King City Community Development Agency; and

WHEREAS, proceedings for adoption of said Budget have been duly taken; and

WHEREAS, the total proposed City budget is 14,234,708 in FY 2019-20 and 14,838,477 in FY 2020-21; and

WHEREAS, the proposed General Fund is \$7,855,050 in FY 2019-20 and \$9,492,950 in FY 2020-21.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of King, California that the Budget is adopted as the Biennial Budget for the City of King for the Fiscal Years commencing July 1, 2019 and ending June 30, 2021.

PASSED AND ADOPTED at a regular meeting of the City Council on the 11th day of June, 2019, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED:

Mike LeBarre, Mayor

ATTEST:

Steven Adams, City Clerk

APPROVED AS TO FORM:

Roy Santos, City Attorney

RESOLUTION NO. 2019 -

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KING ESTABLISHING
THE APPROPRIATIONS SUBJECT TO LIMIT FOR THE CITY OF KING FOR THE
2019-2020 FISCAL YEAR**

WHEREAS, Section 37200 of the Government Code provides for the payment of demands based on the adoption of an annual budget; and

WHEREAS, the City Council has adopted a budget for the 2019-2020 fiscal year; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of King that:

1. In accordance with Section 2227 of the California Revenue & Taxation Code, the appropriations limit for the City of King for the 2019-2020 Fiscal Year, as set forth in Exhibits A & B, attached hereto, is \$18,615,906.
2. Pursuant to Article XIIB of the California Constitution, appropriations subject to limit for the 2019-2020, as set forth in Exhibit A, attached hereto, are \$6,217,600.
3. The appropriation figures in the schedule attached hereto shall serve as the approved budget for the City of King for the 2019-2020 Fiscal Year, pursuant to Section 37200 of the Government Code of the State of California.

PASSED AND ADOPTED by the City Council of the City of King at a regular meeting duly held on the 11^H day of June 2019, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Michael LeBarre, Mayor

ATTEST:

Steven Adams, City Clerk

EXHIBIT [A]

FISCAL YEAR 2019-2020 APPROPRIATIONS LIMITATION

Article XIII B of the California Constitution specifies that “Appropriations made by State and Local Governments may increase annually by a Factor comprised of the Change in Population combined either with the Change in California Per Capital Personal Income or the Local Assessment Roll due to Local Nonresidential Construction.”

Per Capita Change	3.85%	Converted to a Factor		1.0385
Population Change	1.36%	Converted to a Factor		1.0136
Ratio of Change	1.0385	(x)	1.0136	(=) 1.0526
2018-2019 Appropriations Limit:				\$17,685,641
Factor				1.0526
2019-2020 Appropriations Limit:				\$18,615,906

The Amount subject to the Appropriations Limit is calculated as follows:

2019-2020 PROPOSED BUDGET

(1)	Property Taxes	\$1,091,600
(2)	Sales and Use Tax	\$3,025,000
(3)	Utility Users Tax	\$257,500
(4)	Business License Tax	\$86,000
(5)	Transient Occupancy Tax	\$450,000
(6)	Other Taxes:	\$41,500
	- Real Estate Transfer Tax	
	- Homeowner's Property Tax Relief (HOPTR)	
(7)	Interest (Prorated)	\$3,000
(8)	Motor Vehicle In-Lieu Tax	\$938,000
(9)	Cultivation Tax	\$325,000
	Total Amount subject to Limitations	\$6,217,600

EXHIBIT [B]

CALIFORNIA DEPARTMENT OF FINANCE FISCAL YEAR 2019-2020 SUPPORTING DOCUMENTATION

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2019-20 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2019-20	3.85

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2019-20 appropriation limit.

2019-20:

Per Capita Cost of Living Change = 3.85 percent
 Population Change = 0.47 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.85 + 100}{100} = 1.0385$

Population converted to a ratio: $\frac{0.47 + 100}{100} = 1.0047$

Calculation of factor for FY 2019-20: $1.0385 \times 1.0047 = 1.0434$

Fiscal Year 2019-20

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019

County City	<u>Percent Change</u> 2018-2019	<u>Population Minus Exclusions</u>		<u>Total</u>
		1-1-18	1-1-19	1-1-2019
Monterey				
Carmel-By-The-Sea	0.50	3,967	3,987	3,987
Del Rey Oaks	0.41	1,727	1,734	1,734
Gonzales	0.43	8,640	8,677	8,677
Greenfield	0.43	17,932	18,009	18,009
King City	1.36	14,527	14,724	14,724
Marina	1.81	22,548	22,957	22,957
Monterey	0.99	24,764	25,010	28,448
Pacific Grove	0.48	15,807	15,883	15,883
Salinas	0.55	161,899	162,797	162,797
Sand City	1.02	393	397	397
Seaside	1.06	30,370	30,693	33,776
Soledad	2.10	17,103	17,462	26,079
Unincorporated	1.17	106,193	107,434	107,946
County Total	0.91	425,870	429,764	445,414

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.