Lindsay City Council Agenda
Successor Agency to the Lindsay Redevelopment Agency

Regular Meeting
Council Chambers at City Hall
251 East Honolulu, Lindsay, California
Tuesday, February 10, 2015
5:55PM

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1. a) Call to Order: 5:55 p.m.
   b) Roll Call: Board members Salinas, Mecum, Kimball, Vice Chair Sanchez, & Chairman Padilla.

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2. Pubic Comment: The public is invited to comment on any subject under the jurisdiction of the Successor Agency, including agenda items, other than noticed public hearings. Comments shall be limited to three minutes per person, with 30 minutes overall for the entire comment period, unless otherwise indicated by the Chairman.

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3. CONSIDERATION OF SUCCESSOR AGENCY RESOLUTION 15-01AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS AND APPROVING THE FORM OF AN INDENTURE OF TRUST AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH. (pg. 1-67)
   Presented by Tamara Laken, Fiscal Officer.

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4. ADJOURN TO CITY COUNCIL MEETING.

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1. a) Call to Order: 6:00 p.m.
   b) Roll Call: Council members Salinas, Mecum, Kimball, Mayor Pro Tem Sanchez, Mayor Padilla.
   c) Flag Salute: Mayor PADILLA.

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2. Public Comment: The public is invited to comment on any subject under the jurisdiction of the Council, including agenda items, other than noticed public hearings. Comments shall be limited to (3) minutes per person, with 30 minutes overall for the entire comment period, unless otherwise indicated by the Mayor.

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3. Consent Calendar: These items are considered routine and will be enacted by one motion, unless separate discussion is requested by Council.
   Request for approval of the following: (pg. 68-116)
   a) Meeting Minutes for Jan. 26 & 27, 2015.
   b) Warrant Register for Jan. 22, 28 & 30, 2015.
   c) Treasurer's Report for Jan. 31, 2015.
   d) Revised 2014/15 Salary Matrix to comply with CalPERS directives
   e) TCAG Quarterly Report for Oct. to Dec. 2014
   f) Award Contract for Housing & Contract Administration to Self Help Enterprises
   g) Temporary Use Permit allowing California Lifeline Program to operate enrollment site at 125 W. Hermosa St.

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4. PUBLIC HEARING: FIRST READING AND INTRODUCTION OF ORDINANCE #548 AMENDING CHAPTER 3.04, TITLE 3 OF THE LINDSAY MUNICIPAL CODE TO REQUIRE PREVAILING WAGE FOR LOCAL PROJECTS IN COMPLIANCE WITH SENATE BILL 7. (pg. 117-120)
   Presented by Mike Camarena, City Services Director.

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5. PUBLIC HEARING: CONSIDERATION OF RESOLUTION 15-01 APPROVING AN APPLICATION FOR CONDITIONAL USE PERMIT/ VARIANCE FOR PROPERTY AT 655 N. WESTWOOD. (pg. 121-131)
   Presented by Bill Zigler, Planning & Economic Development Director.

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6. CONSIDERATION OF RESOLUTION 15-05 APPROVING THE SUBMITTAL OF AN APPLICATION FOR HOUSING RELATED PARKS PROGRAM GRANT FUNDS FOR PROGRAM YEAR 2014. (pg. 132-133)
   Presented by Tamara Laken, Finance Director.

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7. SELECTION OF NOMINEE TO SERVE ON THE GOVERNING BOARD OF THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT. (pg. 134-141)
   Presented by Mayor PADILLA.

8. DISCUSSION ON PROPOSED SUCCESSION PLAN.
   Presented by Rich Wilkinson, City Manager.

9. DISCUSSION & POSSIBLE APPROVAL OF DIRECTOR OF PUBLIC SAFETY/INTERIM CITY MANAGER CONTRACT. (pg. 142-153)
   Presented by Mario Zamora, City Attorney.

10. COUNCIL REPORTS.
    Presented by Council members.

11. STUDENT REPORT.
    Presented by Savannah Longoria, Student Representative.

12. STAFF REPORTS.
    Presented by Rich Wilkinson, City Manager.

13. EXECUTIVE SESSION
    1) Conference with Legal Counsel regarding pending litigation - GC§54956.9(d)(1)
       Brian Clower vs. City of Lindsay
       Tulare County Superior Court Case #257764

14. ADJOURN. The next Regular meeting is scheduled for **TUESDAY, FEBRUARY 24, 2015 at 6:00 PM** in the Council Chambers at City Hall, 251 E. Honolulu, Lindsay, CA 93247.

Materials related to an Agenda item submitted to the legislative body after distribution of the Agenda Packet are available for public inspection in the office of the City Clerk during normal business hours. Complete agenda is available at www.lindsay.ca.us In compliance with the Americans with Disabilities Act & Ralph M. Brown Act, if you need special assistance to participate in this meeting, or to be able to access this agenda and documents in the agenda packet, please contact the office of the City Clerk at (559) 562-7102 ext 8031. Notification 48 hours prior to the meeting will enable the City to ensure accessibility to this meeting and/or provision of an alternative format of the agenda and documents in the agenda packet.

STAFF REPORT
LINDSAY SUCCESSOR AGENCY

Date: February 10, 2015

To: Chairman and Members of the Successor Agency

From: Tamara Laken, Finance Director

Subject: Resolution Authorizing the Issuance of Tax Allocation Refunding Bonds to refund bond issued in 2005, 2007, and 2008, for Debt Service Savings.

RECOMMENDATION:

That the Successor Agency adopt Resolution No. SA15-01 Authorizing the Issuance and Sale of Tax Allocation Bonds, and Approving the Form of an Indenture of Trust and Authorizing Certain other actions in Connection Therewith

BACKGROUND:

The Lindsay Redevelopment Agency issued Tax Allocation Bonds in 2005 (the "2005 Bonds"), in 2007 (the "2007 Bonds"), and again in 2008 (the "2008 Bonds"; collectively the "Existing Bonds"). The Existing Bonds have interest rates of 5.00% to 5.625% for the bonds with the longest maturities, and current market rates for similar refunding bonds are below 4.00%.

The Successor Agency now has responsibility for the repayment of the 2005, 2007, and 2008 bonds, due to the dissolution of redevelopment agencies by the State. Per AB1484, the Successor Agency may refund existing Bonds for debt service savings, with the approval of its Oversight Board and the State Department of Finance ("DOF").

At its meeting on January 27, 2015, the Successor Agency directed staff to take the necessary actions to complete the economic refunding of the Existing Bonds.

DISCUSSION:

Interest rates are currently near all-time lows. By issuing its 2015 Refunding Bonds (the "2015 Bonds"), the Agency would save approximately $2.3 million in future debt service payments, without extending the present maturity dates. On a present value basis (the present value of the combined future annual savings) the savings is worth approximately $1.7 million in today's dollars. Based on the redevelopment dissolution laws, the estimated annual savings of approximately $105,000 may be retained by the Successor Agency to the extent it has additional approved Enforceable Obligations (such as the CalHFA loan repayment obligations).

FISCAL IMPACT:

The proposed 2015 Bonds will generate an estimated total debt service savings of approximately $2,316,000, net of all costs of issuance. It is important to note that all costs associated with the issuance of the 2015 Bonds will be paid from bond proceeds, and neither the Agency nor the City will have any out of pocket expenses. The term of the 2015 Bonds will not exceed the term of the Bonds being refunded. The source of repayment of the 2015 Bonds would be limited to tax revenues (in amounts equivalent to the former tax increment revenues) generated in Lindsay Redevelopment Project One and deposited by the County into the Successor Agency's Redevelopment Property Tax Trust Fund. The 2015 Bonds would not be a debt of the City's general fund.

TRUST INDENTURE:

The Trust Indenture, in substantially the form presented at this meeting, details the terms and conditions with regards to repayment of the 2015 Bonds, and also establishes the funds and accounts to be held by the Bond Trustee, U.S. Bank.

FUTURE ACTIONS:

Assuming that the attached Resolution is adopted by the Successor Agency, Oversight Board approval of the refunding issue will then be necessary. It is anticipated that this item would then be presented for consideration at the next Oversight Board meeting, currently scheduled for February 19th.

Assuming approval by the Oversight Board, the refunding package will be sent to DOF for review, and DOF then has 60 days to provide such review.

The offering document (the "Preliminary Official Statement") that will be presented to potential bond buyers, as well as the Bond Purchase Agreement, Escrow Agreement, and Continuing Disclosure Agreement, will be presented to the Successor Agency for consideration at a subsequent meeting, once approval of the bond refunding is approved by DOF.

It is anticipated that the refunding bonds could be sold and closed in May of 2015, with the proceeds then deposited into refunding escrows to repay the 2005 and 2008 Bonds on August 1, 2015, and the 2007 Bonds on August 1, 2017 (their first available call date).

Attachments

1. Resolution No. SA15-01
2. Trust Indenture
3. Savings Analysis

RESOLUTION SA15-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE LINDSAY REDEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS, AND APPROVING THE FORM OF AN INDENTURE OF TRUST AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.

At a regularly scheduled meeting of the Successor Agency of the City of Lindsay, held February 10, 2015, at the hour of 5:55 p.m. in the Council Chambers at City Hall, Lindsay, California 93247, the following resolution was adopted:

WHEREAS, the Lindsay Redevelopment Agency (the "Prior Agency") was a public body, corporate and politic, duly created, established and authorized to transact business and exercise its powers under and pursuant to the provisions of the Community Redevelopment Law (Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California) (the "Law"), and the powers of the Prior Agency included the power to issue bonds for any of its corporate purposes; and

WHEREAS, the "Redevelopment Plan" for a redevelopment project known and designated as the "Lindsay Redevelopment Project No. One" has been adopted and approved by Ordinance No. 416 of the City of Lindsay on July 20, 1987, and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan, as amended, have been duly complied with; and

WHEREAS, the Prior Agency previously issued its $4,700,000 Lindsay Redevelopment Agency, Lindsay Redevelopment Project No. One, Tax Allocation Refunding Bonds, Issue of 2005 (the "2005 Bonds"), its $7,880,000 Lindsay Redevelopment Agency, Lindsay Redevelopment Project No. One, Tax Allocation Bonds, Issue of 2007 (the "2007 Bonds"), and its $3,710,000 Lindsay Redevelopment Project No. One, Tax Allocation Bonds, Issue of 2008 (the ("2008 Bonds," and with the 2005 Bonds and the 2007 Bonds, the "Prior Obligations"); and

WHEREAS, on June 28, 2011, the California Legislature adopted ABx1 26 (the "Dissolution Act") and ABx1 27 (the "Opt-in Bill"); and

WHEREAS, the California Supreme Court subsequently upheld the provisions of the Dissolution Act and invalidated the Opt-in Bill resulting in the Lindsay Redevelopment Agency being dissolved as of February 1, 2012; and

WHEREAS, the powers, assets and obligations of the Prior Agency were transferred on February 1, 2012 to the Successor Agency of the Lindsay Redevelopment Agency (the "Successor Agency"); and

WHEREAS, on or about June 27, 2012, AB1484 was adopted as a trailer bill in connection with the 2012-13 California Budget; and

WHEREAS, AB1484 specifically authorizes the issuance of refunding bonds by the Successor Agency to refund the bonds or other indebtedness of the Prior Agency to provide savings to the Successor Agency, provided that (A) the total interest cost to maturity on the refunding bonds plus the principal amount of the refunding bonds shall not exceed the total remaining interest cost to maturity on the bonds to be refunded plus the remaining principal of the bonds to be refunded, and (B) the principal amount of the refunding bonds shall not exceed the amount required to defease the refunded bonds, to establish customary debt service reserves, and to pay related costs of issuance; and

WHEREAS, for the corporate purposes of the Successor Agency, the Successor Agency desires to issue at this time tax allocation refunding bonds in an aggregate principal amount sufficient to refund all or part of the Prior Obligations (the "2015 Bonds"), and to irrevocably set aside a portion of the proceeds of such 2015 Bonds in a separate segregated trust fund which will be used to refund the outstanding Prior Obligations, to pay costs in connection with the issuance of the 2015 Bonds and to make certain other deposits as required by the Indenture; and

WHEREAS, the 2015 Bonds shall be secured by a pledge of property tax revenues authorized by California Health and Safety Code Section 34177.5(a) and (g), pursuant to the provisions of Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law"); and

WHEREAS, the Successor Agency wishes at this time to approve matters relating to the issuance and sale of the 2015 Bonds,

BE IT HEREBY RESOLVED by the Successor Agency as follows:

SECTION 1. Subject to the provisions of the Indenture referred to in Section 2 hereof, the issuance of the 2015 Bonds in the aggregate principal amount sufficient to refund all or a portion of the Prior Obligations for the purpose of achieving debt service savings in accordance with Health & Safety Code Section 34177.5(a)(1) and the pledge of property tax revenues to the 2015 Bonds pursuant to the Indenture approved by Section 2 of this Resolution (as authorized by California Health and Safety Code Section 34177.5(a) and (g)) is hereby approved on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture. The 2015 Bonds will be dated, will bear interest at the rates, will mature on the dates, will be issued in the form, will be subject to redemption, and will be as otherwise provided in the Indenture, as the same will be completed as provided in this Resolution. The proceeds of the sale of the 2015 Bonds shall be applied as provided in the Indenture. The 2015 Bonds may be issued as a single issue, or from time to time, in separate series, as the Successor Agency shall determine. The approval of the issuance of the 2015 Bonds by the Successor Agency and the Oversight Board shall constitute the approval of each and every separate series of 2015 Bonds and the sale of the 2015 Bonds at a public or private sale, without the need for any further approval from the Oversight Board.

SECTION 2. The Indenture of Trust in substantially the form submitted at this meeting and made a part hereof as though set forth in full herein (the "Indenture"), is hereby approved. The Chairman and the Secretary of the Successor Agency are hereby authorized and directed to execute and deliver the Indenture in the form presented at this meeting with such changes insertions and omissions as may be requested by Bond Counsel and approved by the Chairman, said execution being conclusive evidence of such approval.

SECTION 3. The Chairman of the Successor Agency, the Executive Director of the Successor Agency, the Secretary of the Successor Agency, and any other proper officer of the Successor Agency, acting singly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments, relating to the 2015 Bonds, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution and the Indenture, including, as necessary, the preparation of a Bond Purchase Contract, a private placement memorandum, an Official Statement, a Continuing Disclosure Agreement, the Escrow Agreements for the Prior Obligations and any additional agreements as may be required to carryout the purposes hereof. The form of each of the documents shall be presented to the Successor Agency at a future meeting for approval.

SECTION 4. U.S. Bank National Association is hereby appointed as Trustee, Stradling Yocca Carlson & Rauth, a Professional Corporation, is hereby appointed as Bond Counsel and Disclosure Counsel, Urban Futures, Inc. is hereby appointed as financial advisor, Dissemination Agent and Fiscal Consultant to the Successor Agency and Southwest Securities, Inc., or any successor thereto, is hereby appointed underwriter and/or placement agent for the 2015 Bonds.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED by the Successor Agency to the Lindsay Redevelopment Agency at a regular meeting on February 10, 2015.

ATTEST:	SUCCESSOR AGENCY BOARD
_____	_____
Carmela Wilson, Secretary/City Clerk	Ramona Villarreal-Padilla, Chairman

INDENTURE OF TRUST

Dated as of _____ 1, 2015

by and between the

SUCCESSOR AGENCY TO THE
LINDSAY REDEVELOPMENT AGENCY

and

U.S. BANK NATIONAL ASSOCIATION
as Trustee

Relating to

$_____
Successor Agency to the
Lindsay Redevelopment Agency
Lindsay Redevelopment Project No. One
Tax Allocation Refunding Bonds, Issue of 2015

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this "Indenture") is dated as of _____ 1, 2015, by and between the SUCCESSOR AGENCY TO THE LINDSAY REDEVELOPMENT AGENCY, a public body corporate and politic, duly organized and existing under the laws of the State of California (the "Agency" or "Successor Agency"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, the Lindsay Redevelopment Agency (the "Prior Agency") was a public body, corporate and politic, duly created, established and authorized to transact business and exercise its powers under and pursuant to the provisions of the Community Redevelopment Law (Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California) (the "Law"), and the powers of the Prior Agency included the power to issue Bonds for any of its corporate purposes; and

WHEREAS, the Redevelopment Plan for a redevelopment project known and designated as the "Lindsay Redevelopment Project No. One" has been adopted and approved by Ordinance No. 416 of the City of Lindsay on July 20, 1987, amended by Ordinance No. 452 adopted on July 19, 1993, amended by Ordinance No. 461 adopted on July 17, 1995 and amended by Ordinance No. 516 adopted on July 12, 2005 and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan, as amended, have been duly complied with; and

WHEREAS, the Prior Agency has previously issued its $4,700,000 Lindsay Redevelopment Agency, Lindsay Redevelopment Project No. One, Tax Allocation Refunding Bonds, Issue of 2005 (the "2005 Bonds"), its $7,880,000 Lindsay Redevelopment Agency, Lindsay Redevelopment Project No. One, Tax Allocation Bonds, Issue of 2007 (the "2007 Bonds"), and its $3,710,000 Lindsay Redevelopment Project No. One, Tax Allocation Bonds, Issue of 2008 (the ("2008 Bonds," and with the 2005 Bonds and the 2007 Bonds, the "Prior Bonds"); and

WHEREAS, for the corporate purposes of the Successor Agency, the Successor Agency deems it necessary to issue at this time tax allocation refunding bonds in a principal amount of _____ Dollars ($_____) (the "Bonds"), and to irrevocably set aside a portion of the proceeds of such Bonds in a separate segregated trust fund which will be used to refund the outstanding Prior Bonds of the Prior Agency to pay costs in connection with the issuance of the Bonds and to make certain other deposits as required by this Indenture; and

WHEREAS, on June 28, 2011, the California Legislature adopted ABx1 26 (the "Dissolution Act") and ABx1 27 (the "Opt-in Bill"); and

WHEREAS, the California Supreme Court subsequently upheld the provisions of the Dissolution Act and invalidated the Opt-in Bill resulting in the Lindsay Redevelopment Agency being dissolved as of February 1, 2012; and

WHEREAS, the powers, assets and obligations of the Prior Agency were transferred on February 1, 2012 to the Successor Agency; and

WHEREAS, on or about June 27, 2012, AB1484 was adopted as a trailer bill in connection with the 2012-13 California Budget; and

WHEREAS, AB1484 specifically authorizes the issuance of refunding bonds by the Successor Agency to refund the bonds or other indebtedness of the Prior Agency to provide savings to the Successor Agency, provided that (A) the total interest cost to maturity on the refunding bonds plus the principal amount of the refunding bonds shall not exceed the total remaining interest cost to maturity on the bonds to be refunded plus the remaining principal of the bonds to be refunded, and (B) the principal amount of the refunding bonds shall not exceed the amount required to defease the refunded bonds, to establish customary debt service reserves, and to pay related costs of issuance; and

WHEREAS, the Successor Agency desires to issue its Lindsay Redevelopment Project No. One Tax Allocation Refunding Bonds, Issue of 2015 (the "Bonds") for the purpose of refunding the Prior Bonds, to fund a reserve amount and pay costs of issuance; and

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 interest and redemption premium (if any) thereon, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, the Successor Agency hereby certifies that all acts and proceedings required by law necessary to make the Bonds, when executed by the Successor Agency, and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Successor Agency, 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 or taken.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Bonds 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 considerations, the receipt of which is hereby acknowledged, the Successor Agency and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DETERMINATIONS; DEFINITIONS

Section 1.1 Findings and Determinations. The Successor Agency has reviewed all proceedings heretofore taken and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with 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 Successor Agency is now duly empowered, pursuant to each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture.

Section 1.2 Definitions. Unless the context otherwise requires, the terms defined in this Section 1.2 shall, for all purposes of this Indenture, of any Supplemental Indenture, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

"Act" means Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code.

"Alternate Reserve Account Security" means one or more letters of credit, surety bonds, bond insurance policies, or other form of guaranty, including the Reserve Policy, from a financial institution for the benefit of the Trustee in substitution for or in place of all or any portion of the Reserve Requirement which shall be approved by the Successor Agency.

"Annual Debt Service" means, for any Bond Year, the principal and interest payable on the Outstanding Bonds in such Bond Year.

"Bond Counsel" means Stradling Yocca Carlson & Rauth, a Professional Corporation, an attorney or firm of attorneys acceptable to the Successor Agency of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions.

"Bond", "Bonds" or "2015 Bonds" means the Lindsay Redevelopment Project No. One Tax Allocation Refunding Bonds, Issue of 2015, authorized by and at any time Outstanding pursuant to this Indenture.

"Bond Year" means the twelve (12) month period commencing on August 2 of each year, provided that the first Bond Year shall extend from the Delivery Date to August l, 2015.

"Bondowner" or "Owner", or any similar term, means any person who shall be the registered owner or his duly authorized attorney, trustee or representative of any Outstanding Bond.

"Business Day" means any day other than (i) a Saturday or Sunday or legal holiday or a day on which banking institutions in the city in which the corporate trust office of the Trustee is located are authorized to close, or (ii) a day on which the New York Stock Exchange is closed.

"Certificate" or "Certificate of the Successor Agency" means a Written Certificate of the Successor Agency.

"Chairman" means the chairman of the Successor Agency or other duly appointed officer of the Successor Agency authorized by the Successor Agency by resolution or bylaw to perform the functions of the chairman in the event of the chairman's absence or disqualification.

"City" means the City of Lindsay, State of California.

"Code" means the Internal Revenue Code of 1986, as amended, and any regulations, rulings, judicial decisions, and notices, announcements, and other releases of the United States Treasury Department or Internal Revenue Service interpreting and construing it.

"Computation Year" means, with respect to the Bonds, the period beginning on the Delivery Date and ending on August l, 2015, and each 12-month period ending on August 1 thereafter until there are no longer any Bonds Outstanding.

"Continuing Disclosure Agreement" means that certain Continuing Disclosure Agreement among the Successor Agency and Urban Future, Inc. dated the Delivery Date as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Corporate Trust Office" means the corporate trust office of the Trustee, currently at U.S. Bank National Association, or such other or additional offices as may be specified to the Successor Agency by the Trustee in writing.

"Costs of Issuance" means the costs and expenses incurred in connection with the issuance and sale of the Bonds including the initial fees and expenses of the Trustee, rating agency fees, legal fees and expenses, costs of printing the Bonds and Official Statement, fees of financial consultants and other fees and expenses set forth in a Written Certificate of the Successor Agency.

"Costs of Issuance Fund" means the trust fund established in Section 3.3 of this Indenture.

"County" means the County of Tulare, California.

"Debt Service Fund" means that trust fund established in Section 4.2 of this Indenture.

"Defeasance Securities" means:

1. Cash

2. Obligations of, or obligations guaranteed as to principal and interest by, the U.S. or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S. including:

   - U.S. treasury obligations
   - All direct or fully guaranteed obligations
   - Farmers Home Administration
   - General Services Administration
   - Guaranteed Title XI financing
   - Government National Mortgage Association (GNMA)
   - State and Local Government Series

   Any security used for defeasance must provide for the timely payment of principal and interest and cannot be callable or prepayable prior to maturity or earlier redemption of the rated debt (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date).

"Delivery Date" means the date on which the Bonds are delivered to the initial purchaser thereof.

"Dissolution Act" means Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State of California.

"DOF" means the California Department of Finance.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Escrow Bank" means U.S. Bank National Association.

"Fiscal Year" means any twelve (12) month period beginning on July 1st and ending on the next following June 30th.

"Fund or Account" means any of the funds or accounts referred to herein.

"Indenture" means that certain Indenture of Trust dated as of _____ 1, 2015, between the Successor Agency and U.S. Bank National Association, approved by Resolution No. _____, adopted by the Successor Agency on _____, 2015, and Resolution No. _____, adopted by the Oversight Board on _____, 2015, authorizing the issuance of the Bonds.

"Independent Financial Consultant," "Independent Engineer," "Independent Certified Public Accountant" or "Independent Redevelopment Consultant" means any individual or firm engaged in the profession involved, appointed by the Successor Agency, and who, or each of whom, has a favorable reputation in the field in which his/her opinion or certificate will be given, and:

(1) is in fact independent and not under domination of the Successor Agency;

(2) does not have any substantial interest, direct or indirect, with the Successor Agency, other than as original purchaser of the Bonds; and

(3) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Insurance Policy" or "Policy" means the insurance policy issued by the Insurer that guarantees the scheduled payment of principal of and interest on the Insured Bonds when due.

"Insured Bonds" means the Bonds maturing on and after August 1, 20__.

"Insurer" means _____, or any successor thereto or assignee thereof.

"Interest Account" means the account by that name referenced in Section 4.3 of this Indenture.

"Interest Payment Date" means February 1 and August 1, commencing [August 1, 2015] so long as any of the Bonds remain Outstanding hereunder.

"Law" means the Community Redevelopment Law of the State of California as cited in the recitals hereof.

"Lindsay Redevelopment Agency" or "Lindsay Agency" means the Lindsay Redevelopment Agency.

"Maximum Annual Debt Service" means the largest of the sums obtained for any Bond Year after the computation is made, by totaling the following for each such Bond Year:

(1) The principal amount of all Bonds and Parity Bonds, if any; and

(2) The interest which would be due during such Bond Year on the aggregate principal amount of Bonds and Parity Bonds which would be outstanding in such Bond Year if the Bonds and Parity Bonds outstanding on the date of such computation were to mature or be redeemed in accordance with the maturity schedules for the Bonds and Parity Bonds. At the time and for the purpose of making such computation, the amount of term Bonds and term Parity Bonds already retired in advance of the above-mentioned schedules shall be deducted pro rata from the remaining amounts thereon.

"Opinion of Counsel" means a written opinion of an attorney or firm of attorneys of favorable reputation in the field of municipal bond law. Any opinion of such counsel may be based upon, insofar as it is related to factual matters, information which is in the possession of the Successor Agency as shown by a certificate or opinion of, or representation by, an officer or officers of the Successor Agency, unless such counsel knows, or in the exercise of reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which his or her opinion may be based, as aforesaid, is erroneous.

"Outstanding" means, when used as of any particular time with reference to Bonds, subject to the provisions of this Indenture, all Bonds theretofore issued and authenticated 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; and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and authenticated pursuant to this Indenture.

"Oversight Board" means the oversight board duly constituted from time to time pursuant to Section 34179 of the Dissolution Act.

"Parity Bonds" means any additional tax allocation bonds (including, without limitation, bonds, notes, interim certificates, debentures or other obligations) issued by the Successor Agency as permitted by Section 3.4 of this Indenture.

"Pass-Through Agreements" means the agreements entered into on or prior to the date hereof pursuant to Section 33401 of the Health and Safety Code with (i) the County of Tulare, (ii) the Alta Cemetery District, (iii) the Tulare County Flood Control District, (iv) the Tulare County Pollution Control District, and (v) the Lindsay Mosquito Abatement District.

"Paying Agent" means any paying agent appointed by the Successor Agency pursuant to the Indenture.

"Permitted Investments" means:

(a) For all purposes, including defeasance investments in refunding escrow accounts.

(1) Defeasance Securities

(b) For all purposes other than defeasance investments in refunding escrow accounts.

(1) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:

- Export-Import Bank
- Rural Economic Community Development Administration
- U.S. Maritime Administration
- Small Business Administration
- U.S. Department of Housing & Urban Development (PHAs)
- Federal Housing Administration -Federal Financing Bank

(2) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

- Senior debt obligations issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC).
- Obligations of the Resolution Funding Corporation (REFCORP)
- Senior debt obligations of the Federal Home Loan Bank System
- Senior debt obligations of other Government Sponsored Agencies

(3) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks, which may include the Trustee, its parent holding company, if any, and their affiliates, which have a rating on their short term certificates of deposit on the date of purchase of "P-1" by Moody's and "A-1" or "A-1+" by S&P and maturing not more than 360 calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(4) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's and "A-1+" by S&P and which matures not more than 270 calendar days after the date of purchase;

(5) Investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P, 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;

(6) Pre-refunded Municipal Obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

(A) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Moody's or S&P or any successors thereto; or

(B) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph (2) of the definition of Defeasance Securities, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate.

(7) Municipal Obligations rated "Aaa/AAA" or general obligations of States with a rating of "A2/A" or higher by both Moody's and S&P.

(8) Investment Agreements with an entity rated "A" or higher by S&P; and;

(9) The Local Agency Investment Fund of the State or any state administered pooled investment fund in which the Successor Agency is statutorily permitted or required to invest will be deemed a permitted investment.

(c) The value of the above investments shall be determined as follows:

(1) For the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at fair market value. The Trustee shall determine the fair market value based on accepted industry standards and from accepted industry providers. Accepted industry providers shall include but are not limited to pricing services provided by Financial Times Interactive Data Corporation, and Bank of America Merrill Lynch.

(2) As to certificates of deposit and bankers' acceptances: the face amount thereof, plus accrued interest thereon; and

(3) As to any investment not specified above: the value thereof established by prior agreement among the Successor Agency and the Trustee.

"Pledged Tax Revenues" means the monies deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to subdivision (c) of Section 34172 of the Dissolution Act, as provided in paragraph (2) of subdivision (a) of Section 34183 of the Dissolution Act. If, and to the extent, that the provisions of Section 34172 or paragraph (2) of subdivision (a) of Section 34183 are invalidated by a final judicial decision, then Pledged Tax Revenues shall include all tax revenues allocated to the payment of indebtedness pursuant to Health & Safety Code Section 33670 or such other section as may be in effect at the time providing for the allocation of tax increment revenues in accordance with Article XVI, Section 16 of the California Constitution.

"Principal Account" means the account by that name referenced in Section 4.3 of this Indenture.

"Rebate Fund" means the fund by that name referenced in Section 4.4 of this Indenture.

"Rebate Regulations" means the final Treasury Regulations issued under Section 148(f) of the Code.

"Recognized Obligation Payment Schedule" means a Recognized Obligation Payment Schedule, each prepared and approved from time to time pursuant to subdivision (l) of Section 34177 of the Dissolution Act.

"Redemption Account" means the account by that name referenced in Section 4.3 of this Indenture.

"Redevelopment Plan" means the Redevelopment Plan for the Redevelopment Project No. One, approved by Ordinance No. 416 of the City of Lindsay, adopted on July 20, 1987, and amended by Ordinance No. 452 adopted on July 19, 1993, amended by Ordinance No. 461 adopted on July 17, 1995 and amended by Ordinance No. 516 adopted on July 12, 2005 and includes any amendment thereof made pursuant to the Law.

"Redevelopment Project Area," "Redevelopment Project" or "Project Area" means the means the Project Area described in the Redevelopment Plan.

"Refunded Bonds" means the 2003A Bonds and the 2003C Bonds.

"Registration Books" means the books kept by the Trustee containing the registration and transfer information for the Bonds.

"Regular Record Date" means the fifteenth day of the month preceding any Interest Payment Date whether or not such day is a Business Day.

"Report" means a document in writing signed by an Independent Financial Consultant and including:

(a) A statement that the person or firm making or giving such Report has read the pertinent provisions of the Indenture to which such Report relates;

(b) A brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and

(c) A statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

"Reserve Account" means the account by that name referenced in Section 4.3 hereof.

"Reserve Policy" means the reserve surety issued by the Insurer on the date of the issuance of the Bonds in an amount sufficient, along with funds on deposit in the Reserve Account of the Debt Service Fund, to satisfy the Reserve Requirement.

"Reserve Requirement" means, as of the date of computation, an amount equal to the combined lesser of (i) Maximum Annual Debt Service on the Bonds and any Parity Bonds, (ii) 10% of the net proceeds of the Bonds and any Parity Bonds, or (iii) 125% of the average Annual Debt Service on all Bonds and Parity Bonds Outstanding.

"Redevelopment Obligation Retirement Fund" means the fund by that name referenced in Section 4.2 of this Indenture.

"State" means the State of California, United States of America.

"Supplemental Indenture" means any indenture then in full force and effect which has been duly adopted by the Successor Agency under the Dissolution Act, or any act supplementary thereto or amendatory thereof, at a meeting of the Successor Agency duly convened and held, of which a quorum was present and acted thereon, amendatory of or supplemental to this Indenture or any indebtedness entered into in connection with the issuance of Parity Bonds; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"Statutory Pass-Through Amounts" means amounts paid to affected taxing agencies, if any, pursuant to Sections 33607.5 and/or 33607.7 of the Law and Section 34183 of the Dissolution Act.

"Tax Certificate" means that certain Tax Certificate executed by the Successor Agency with respect to the Bonds.

"Trustee" means U.S. Bank National Association, a national banking association, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in this Indenture.

"2005 Bonds" means the $4,700,000 Lindsay Redevelopment Agency, Lindsay Redevelopment Project No. One, Tax Allocation Refunding Bonds, Issue of 2005 authorized and issued pursuant to the 2005 Indenture.

"2005 Bonds Escrow Agreement" means that certain Escrow Agreement by and between the Successor Agency and the Escrow Bank relating to the 2005 Bonds.

"2005 Bonds Escrow Fund" means the escrow fund created pursuant to the 2005 Bonds Escrow Agreement.

"2005 Indenture" means that certain Indenture of Trust dated as of March 1, 2005 between the Agency and the Trustee, approved by Resolution No. LRA-05-04 adopted by the Agency on February 22, 2005 authorizing the issuance of the 2005 Bonds.

"2007 Bonds" means the $7,880,000 Lindsay Redevelopment Agency, Lindsay Redevelopment Project No. One, Tax Allocation Bonds, Issue of 2007 authorized and issued pursuant to the 2007 Indenture.

"2007 Bonds Escrow Agreement" means that certain Escrow Agreement by and between the Successor Agency and the Escrow Bank relating to the 2007 Bonds.

"2007 Bonds Escrow Fund" means the escrow fund created pursuant to the 2007 Bonds Escrow Agreement.

"2007 Indenture" means that certain Indenture of Trust dated as of March 1, 2007 between the Agency and the Trustee, approved by Resolution No. LRA-07-01 adopted by the Agency on February 27, 2007 authorizing the issuance of the 2007 Bonds.

"2008 Bonds" means the $3,710,000 Lindsay Redevelopment Project No. One, Tax Allocation Bonds, Issue of 2008, authorized and issued pursuant to the 2008 Indenture.

"2008 Bonds Escrow Agreement" means that certain Escrow Agreement by and between the Successor Agency and the Escrow Bank relating to the 2008 Bonds.

"2008 Bonds Escrow Fund" means the escrow fund created pursuant to the 2008 Bonds Escrow Agreement.

"2008 Indenture" means that certain Indenture of Trust dated as of March 1, 2008 between the Agency and the Trustee, approved by Resolution No. LRA-08-02 adopted by the Agency on February 12, 2008 authorizing the issuance of the 2008 Bonds.

"Written Request of the Successor Agency" or "Written Certificate of the Successor Agency" means a request or certificate, in writing signed by the Executive Director, Secretary or Finance Officer of the Successor Agency or by any other officer of the Successor Agency duly authorized by the Successor Agency for that purpose.

Section 1.3 Rules of Construction. All references herein 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.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.1 Authorization of Bonds.

(a) Bonds in the aggregate principal amount of _____ Dollars ($_____) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture and the Act. This Indenture constitutes a continuing agreement with the Trustee for the benefit of 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. The Bonds shall be designated the "Successor Agency to the Lindsay Redevelopment Agency Lindsay Redevelopment Project No. One Tax Allocation Refunding Bonds, Issue of 2015."

(b) The Bonds shall be and are special obligations of the Successor Agency and are secured by an irrevocable pledge of Pledged Tax Revenues and other funds as hereinafter provided. The Bonds, interest and premium, if any, thereon are not a debt of the City, the State or any of its political subdivisions (except the Successor Agency), and none of the City, the State nor any of its political subdivisions (except the Successor Agency) is liable on them. In no event shall the Bonds, interest thereon and premium, if any, be payable out of any funds or properties other than those of the Successor Agency as set forth in this Indenture. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Neither the members of the Successor Agency nor any persons executing the Bonds are liable personally on the Bonds by reason of their issuance.

The Bonds shall be and are equally secured together with any Parity Bonds, by an irrevocable pledge of the Pledged Tax Revenues and other funds as hereinafter provided, without priority for number, maturity, date of sale, date of execution or date of delivery, except as expressly provided herein.

Nothing in this Indenture shall preclude: (a) the payment of the Bonds from the proceeds of refunding bonds issued pursuant to the Law, or (b) the payment of the Bonds from any legally available funds. Nothing in this Indenture shall prevent the Successor Agency from making advances of its own funds, however derived, to any of the uses and purposes mentioned in this Indenture.

The Successor Agency shall have the right to defease the Bonds and be discharged from the lien of this Indenture in accordance with the provision of Section 9.3 hereof. If the Successor Agency shall cause to be paid, or shall have made provision to pay upon maturity or upon redemption prior to maturity, to the Bondowners the principal of, premium, if any, and interest to become due on the Bonds, through setting aside trust funds or setting apart in a reserve fund or special trust account created pursuant to this Indenture or otherwise, or through the irrevocable segregation for that purpose in some sinking fund or other fund or trust account with a fiscal agent or otherwise, moneys sufficient therefor, including, but not limited to, interest earned or to be earned on the investment of such funds, then the lien of this Indenture, including, without limitation, the pledge of the Pledged Tax Revenues, and all other rights granted hereby, shall cease, terminate and become void and be discharged and satisfied, and the principal of, premium, if any, and interest on the Bonds

shall no longer be deemed to be outstanding and unpaid; provided, however, that nothing in this Indenture shall require the deposit of more than such amount as may be sufficient, taking into account both the principal amount of such funds and the interest to become due on the investment thereof, to implement any refunding of the Bonds.

Section 2.2 Term of Bonds. The Bonds shall be issued in fully registered form without coupons in denominations of $5,000 or any integral multiple thereof and the Bonds shall mature on August 1, in the years and in the amounts and shall bear interest at the rate per annum as follows:

Maturity Date August 1	***Principal Amount***	***Interest Rate***
2016	$	%
2017		
2018		
2019		
2019		
2020		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		

Interest on the Bonds 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 Regular Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check or draft of the Trustee mailed on the Interest Payment Date by first class mail to such Owner at the address of such Owner as it appears on the Registration Books; provided, however, that upon the written request of any Owner of at least $1,000,000 in principal amount of Bonds received by the Trustee at least fifteen (15) days prior to such Regular Record Date, payment shall be made by wire transfer in immediately available funds to an account in the United States designated by such Owner. Principal of and redemption premium (if any) on any Bond shall be paid upon presentation and surrender thereof, at maturity or redemption, at the Trust Office of the Trustee. 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 Interest shall be calculated based upon a 360-day year of twelve thirty-day months.

Each Bond shall be initially dated as of the Delivery Date and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Regular 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) a Bond is authenticated on or before January 15, 2015, in which event it shall bear interest from the Delivery Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Section 2.3 Redemption of Bonds.

(a) Optional Redemption. The Bonds maturing on or before August 1, 2025 are not subject to redemption prior to maturity. The Bonds maturing on and after August 1, 2026 are subject to redemption prior to maturity in whole, or in part in the manner determined by the Agency, on any date on or after August 1, 2025, from any available source of funds, at a redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed) as follows, together with accrued interest thereon to the redemption date:

Redemption Date	***Redemption Price***
August 1, 2025 and thereafter	100%

(b) Purchase In Lieu of Redemption. In lieu of optional redemption of Bonds, amounts on deposit in the Redevelopment Obligation Retirement Fund (to the extent not required to be transferred to the Trustee during the current Bond Year) may also be used and withdrawn by the Successor Agency at any time for the purchase of the Bonds at public or private sale as and when and at such prices (including brokerage and other charges and including accrued interest) as the Successor Agency may in its discretion determine. The par amount of any of the Bonds so purchased by the Successor Agency and surrendered to the Trustee for cancellation in any twelve-month period ending on July 15, in any year will be credited towards and will reduce the principal amount of the Bonds otherwise required to be redeemed on the following August 1 pursuant to this Indenture.

(c) Notice of Redemption. The Successor Agency shall be required to give the Trustee written notice of its intention to redeem Bonds at least forty-five (45) days prior to the date fixed for such redemption, or such lesser number of days as permitted by the Trustee. The Trustee on behalf of and at the expense of the Agency will mail (by first class mail, postage prepaid) notice of any redemption at least 30 but not more than 60 days prior to the redemption date, to (i) the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) to the Municipal Securities Rulemaking Board via its Electronic Municipal Market Access system, or any successor thereto; but such mailing will not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein will affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice will state the redemption date and the redemption price, will designate the CUSIP number of the Bonds to be redeemed, state the individual number of each Bond to be redeemed or state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding (or all Bonds of a maturity) are to be redeemed, and will require that such Bonds be then surrendered at the Trust Office of the Trustee for redemption at the said redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

With respect to any notice of optional redemption of Bonds, such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of, premium, if any, and interest on such Bonds to be redeemed and that, if such moneys shall not have been so received, said notice shall be of no force and effect and the Trustee shall not be required to redeem such Bonds. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made, and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

Section 2.4 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 form 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 2.5 Execution of Bonds. The Bonds shall be executed on behalf of the Successor Agency by the signature of its Executive Director and the signature of its Secretary who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the Successor Agency by such persons as at the actual date of the execution of such Bond shall be the proper officers of the Successor Agency although on the date of such Bond any such person shall not have been such officer of the Successor Agency.

Only such of the Bonds as shall bear thereon a certificate of authentication in the form set forth in Exhibit A hereto, manually executed and dated by and in the name of the Trustee 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 such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary Bonds are issued pursuant to Section 2.9 hereof, the temporary Bonds shall bear thereon a certificate of authentication manually executed and dated by the Trustee, shall be initially registered by the Trustee, and, until so exchanged as provided under Section 2.9 hereof, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.6 Transfer of Bonds. Any Bond 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 Bond or Bonds shall be surrendered for registration of transfer, the Successor Agency shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds, of like series, interest rate, maturity and principal amount of authorized denominations. The Trustee shall collect any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.6 from the Bondowner transferring the Bond or Bonds. The cost of printing any Bonds and any services rendered or any expenses incurred by the Trustee in connection with any exchange or transfer shall be paid by the Successor Agency.

The Trustee may refuse to transfer, under the provisions of this Section 2.6, either (a) any Bonds during the period established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption pursuant to the provisions of Section 2.3.

Section 2.7 Exchange of Bonds. Bonds may be exchanged at the Trust Office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations of the same series, interest rate and maturity. The Trustee shall collect any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.7 from the Bondowner exchanging the Bond or Bonds. The cost of printing any Bonds and any services rendered or any expenses

incurred by the Trustee in connection with any exchange or transfer shall be paid by the Successor Agency.

The Trustee may refuse to exchange, under the provisions of this Section 2.7, either (a) any Bonds during the period established by the Trustee for the selection of Bonds for redemption or (b) any Bonds selected by the Trustee for redemption pursuant to the provisions of Section 2.3.

Section 2.8 Registration Books. The Trustee will keep or cause to be kept, at its Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection by the Successor Agency with reasonable prior 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 the Registration Books, Bonds as hereinbefore provided.

Section 2.9 Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Successor Agency, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Successor Agency upon the same conditions and in substantially the same manner as the definitive Bonds. If the Successor Agency issues temporary Bonds it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Trust Office of the Trustee, and the Trustee shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.10 Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Successor Agency, at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon deliver, a new Bond of like amount and maturity 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. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Successor Agency and the Trustee and, if such evidence is satisfactory to both and indemnity satisfactory to them shall be given, the Successor Agency, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like amount and maturity in lieu of and in substitution for the Bond so lost, destroyed or stolen. The Successor Agency may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Successor Agency and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Successor Agency whether or not the Bond so alleged to be lost, destroyed or stolen shall be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued pursuant to this Indenture.

Section 2.11 Book-Entry Only System. It is intended that the Bonds, be registered so as to participate in a securities depository system with DTC (the "DTC System"), as set forth herein. The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds shall be registered in the name of Cede & Co., as nominee of DTC. The

Successor Agency and the Trustee are authorized to execute and deliver such letters to or agreements with DTC as shall be necessary to effectuate the DTC System, including a representation letter in the form required by DTC (the "Representation Letter"). In the event of any conflict between the terms of any such letter or agreement, including the Representation Letter, and the terms of this Indenture, the terms of this Indenture shall control. DTC may exercise the rights of a Bondholder only in accordance with the terms hereof applicable to the exercise of such rights.

With respect to the Bonds registered in the books of the Trustee in the name of Cede & Co., as nominee of DTC, the Successor Agency and the Trustee, shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a "DTC Participant") or to any person on behalf of whom such a DTC Participant directly or indirectly holds an interest in the Bonds (each such person being herein referred to as an "Indirect Participant"). Without limiting the immediately preceding sentence, Successor Agency and the Trustee shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (b) the delivery to any DTC Participant or any Indirect Participant or any other person, other than a Bondholder, as shown in the Register, of any notice with respect to the Bonds, including any notice of redemption, (c) the payment to any DTC Participant or Indirect Participant or any other Person, other than a Bondholder, as shown in the Register, of any amount with respect to principal of, premium, if any, or interest on, the Bonds or (d) any consent given by DTC as registered owner. So long as certificates for the Bonds are not issued pursuant to Section 2.12 and the Bonds are registered to DTC, the Successor Agency, and the Trustee shall treat DTC or any successor securities depository as, and deem DTC or any successor securities depository to be, the absolute owner of the Bonds for all purposes whatsoever, including without limitation (i) the payment of principal and interest on the Bonds, (ii) giving notice of redemption and other matters with respect to the Bonds, (iii) registering transfers with respect to the Bonds and (iv) the selection of Bonds for redemption. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a Bond certificate with respect to any Bond. Notwithstanding any other provision of this Indenture to the contrary, so long as any of the Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the Representation Letter.

Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks being mailed to the registered owner at the close of business on the Record Date applicable to any Interest Payment Date, the name "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 2.12 Successor Securities Depository; Transfers Outside Book-Entry Only System. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Successor Agency and the Trustee and discharging its responsibilities with respect thereto under applicable law. The Successor Agency, without the consent of any other person, but following written notice to the Successor Agency and the Trustee, may terminate the services of DTC with respect to the Bonds. Upon the discontinuance or termination of the services of DTC with respect to the Bonds pursuant to the foregoing provisions, unless a substitute securities depository is appointed to undertake the functions of DTC hereunder, the Successor Agency, at the expense of the Successor Agency, is obligated to deliver Bond certificates to the beneficial owners of

the Bonds, as described in this Indenture, and the Bonds shall no longer be restricted to being registered in the books of the Trustee in the name of Cede & Co. as nominee of DTC, but may be registered in whatever name or names the Bondowner transferring or exchanging Bonds shall designate to the Trustee in writing, in accordance with the provisions of this Indenture. The Successor Agency may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a securities depository system, qualified to act as such under Section 17(a) of the Securities Exchange Act of 1934, as amended, as may be acceptable to the Successor Agency, or such depository's agent or designee.

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS OF BONDS; PARITY DEBT

Section 3.1 Issuance of Bonds. Upon the execution and delivery of this Indenture and receipt by the Successor Agency of evidence satisfactory to it of satisfaction of the conditions precedent to issuance of the Bonds, the Successor Agency shall execute and deliver Bonds in the aggregate principal amount of _____ Dollars ($_____) to the Trustee and the Trustee shall authenticate and deliver the Bonds upon the Written Request of the Successor Agency.

Section 3.2 Application of Proceeds of Bonds. On the Delivery Date the net proceeds of sale of the Bonds (totaling $_____, consisting of the par amount of the Bonds, plus original issue premium of $_____, less underwriter's discount of $_____, less $_____ wired to the Insurer as the premium for the Insurance Policy and the Reserve Policy) shall be paid to the Trustee and said amount together with moneys transferred from the Funds and Accounts held in connection with the Refunded Bonds shall be applied as follows:

(a) The Trustee shall deposit the amount of $_____ into the Reserve Account of the Debt Service Fund;

(b) Trustee shall transfer the amount of $_____ (consisting of $_____ from Bond proceeds and $_____ from amounts transferred from Trustee for the 2005 Bonds) to the Escrow Bank for deposit in the 2005 Bonds Escrow Fund pursuant to the 2005 Bonds Escrow Agreement;

(c) Trustee shall transfer the amount of $_____ (consisting of $_____ from Bond proceeds and $_____ from amounts transferred from Trustee for the 2007 Bonds) to the Escrow Bank for deposit in the 2007 Bonds Escrow Fund pursuant to the 2007 Bonds Escrow Agreement;

(d) Trustee shall transfer the amount of $_____ (consisting of $_____ from Bond proceeds and $_____ from amounts transferred from Trustee for the 2008 Bonds) to the Escrow Bank for deposit in the 2008 Bonds Escrow Fund pursuant to the 2008 Bonds Escrow Agreement; and

(e) The Trustee shall deposit the amount of $_____ from Bond proceeds into the Costs of Issuance Fund.

The Trustee may establish a temporary fund or account in its records to facilitate and record such deposits and transfers.

The Reserve Policy shall be held by the Trustee in the Reserve Account of the Debt Service Fund in satisfaction of a portion of the Reserve Requirement.

Moneys deposited in the 2005 Bonds Escrow Fund, the 2007 Bonds Escrow Fund and the 2008 Bonds Escrow Fund pursuant to Section 3.2(b)-(d) hereof shall be held by the Escrow Bank and used to pay the principal of and interest on the 2005 Bonds, the 2007 Bonds and the 2008 Bonds, respectively, in accordance with the provisions of the 2005 Bonds Escrow Agreement, the 2007 Bonds Escrow Agreement and the 2008 Bonds Escrow Agreement.

Section 3.3 Costs of Issuance Fund. There is hereby established a separate fund to be known as the "Costs of Issuance Fund," which shall be held by the Trustee in trust. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance upon submission of a Written Request of the Successor Agency 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 Fund. Each such Written Request of the Agency 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. On the date that is three (3) months following the Delivery Date, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Debt Service Fund and the Trustee shall close the Costs of Issuance Fund.

Section 3.4 Issuance of Parity Bonds. In addition to the Bonds, subject to the requirements of this Indenture, the Successor Agency may issue or incur Parity Bonds in such principal amount as shall be determined by the Successor Agency, pursuant to a separate or Supplemental Indenture adopted or entered into by the Successor Agency and Trustee and for such purposes as are permitted under the Dissolution Act, including without limitation Section 34177.5 thereof. The Successor Agency may issue or incur such Parity Bonds subject to the following specific conditions precedent:

(a) The Successor Agency will be in compliance with all covenants set forth in this Indenture;

(b) The Oversight Board shall have approved the issuance of Parity Bonds, which approval shall not have been reviewed by the Department of Finance (the "DOF") or, if review was requested by DOF, it shall have approved the Oversight Board's approval;

(c) The Parity Bonds will be on such terms and conditions as may be set forth in a separate or Supplemental Indenture, which will provide for (i) bonds substantially in accordance with this Indenture, and (ii) the deposit of moneys into the Reserve Account in an amount sufficient, together with the balance of the Reserve Account, to equal the Reserve Requirement on all Bonds expected to be outstanding including the Parity Bonds;

(d) Receipt of a certificate or opinion of an Independent Financial Consultant stating that the conditions of Section 34177.5(a)(1) for the issuance of refunding bonds have been met, together with supporting schedules demonstrating such conditions have been met; and

(e) The Parity Bonds will mature on and interest will be payable on the same dates as the Bonds (except the first interest payment may be from the date of the Parity Bonds until the next succeeding February 1 or August l) provided, however, nothing herein shall preclude the Successor Agency from issuing and selling Parity Bonds which do not pay current interest.

Section 3.5 Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion of the Redevelopment Project or upon the performance by any person of his obligation with respect to the Redevelopment Project.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS

Section 4.1 Security of Bonds; Equal Security. Except as provided in Sections 4.2 and 6.6, the Bonds and any additional Parity Bonds shall be equally secured by a pledge and lien on all of the Pledged Tax Revenues and on all of the moneys in the Redevelopment Obligation Retirement Fund and the Debt Service Fund (including the Interest Account, the Principal Account, the Reserve Account and the Redemption Account therein) without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

In consideration of the acceptance of the Bonds by those who shall own the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Trustee for the benefit of the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency 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.

Section 4.2 Redevelopment Obligation Retirement Fund, Debt Service Fund, Deposit of Pledged Tax Revenues. There has been established a special trust fund known as the "Redevelopment Obligation Retirement Fund," which shall be held by the Successor Agency pursuant to Section 34170.5 of the Dissolution Act. There is hereby continued a special trust fund known as the "Debt Service Fund" and the accounts therein referred to below which shall be held by the Trustee in accordance with this Indenture. The Successor Agency shall deposit all of the Pledged Tax Revenues received in any Bond Year in the Redevelopment Obligation Retirement Fund promptly upon receipt thereof by the Successor Agency, and promptly thereafter shall transfer amounts therein to the Trustee for deposit in the Debt Service Fund established and held under this Indenture until such time that the aggregate amounts on deposit in such Debt Service Fund equal the aggregate amounts required to be deposited into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to Section 4.3 of this Indenture and for deposit in such Bond Year in the funds and accounts established with respect to Parity Bonds, as provided in any Supplemental Indenture.

Section 4.3 Transfer of Amounts by the Trustee. There are hereby created accounts within the Debt Service Fund as set forth below, to be known respectively as the Interest Account,

the Principal Account, the Reserve Account and the Redemption Account. At the same time as moneys are transferred, on a pro rata basis, for the payment of any Parity Bonds, moneys in the Debt Service Fund will be transferred by the Trustee in the following amounts at the following times, for deposit in the following respective accounts within the Debt Service Fund, which are hereby established with the Trustee, in the following order of priority:

(a) Interest Account. On or before the 5th Business Day preceding each Interest Payment Date, the Trustee will withdraw from the Debt Service Fund and transfer to the Interest Account an amount which, when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. Subject to this Indenture, all moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it becomes due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to this Indenture).

(b) Principal Account. On or before the 5th Business Day preceding each Principal Payment in each calendar year beginning [August 1, 2015], the Trustee will withdraw from the Debt Service Fund and transfer to the Principal Account an amount equal to the principal payments becoming due and payable on Outstanding Bonds and Parity Bonds on such August 1, to the extent monies on deposit in the Redevelopment Obligation Retirement Fund are available therefor. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal payments to become due on such August 1 on all Outstanding Bonds. Subject to this Indenture, all moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal payments of the Bonds as it becomes due and payable.

(c) Reserve Account. In the event the moneys on deposit in the Debt Service Fund five (5) Business Days before any Interest Payment Date are less than the full amount of the interest and principal payments required to be deposited, the Trustee will, five (5) Business Days before such Interest Payment Date, withdraw from the Reserve Account an amount equal to any such deficiency and will notify the Successor Agency of any such withdrawal. Promptly upon receipt of any such notice, the Successor Agency will withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee for deposit in the Reserve Account an amount when added to the amount on deposit in the reserve accounts held in connection with any Parity Bonds will be sufficient to maintain the Reserve Requirement on deposit in such reserve accounts, including the Reserve Account and any reserve accounts held in connection with additional Parity Bonds. If there is not sufficient moneys in the Redevelopment Obligation Retirement Fund to transfer an amount, which when added to the amount on deposit in the reserve accounts held in connection with any Parity Bonds, will be sufficient to maintain the Reserve Requirement on deposit in the such reserve accounts, including the Reserve Account and any reserve accounts held in connection with additional Parity Bonds, the Successor Agency will have an obligation to continue making transfers of Pledged Tax Revenues into the Debt Service Fund, as such revenues become available, and thereafter, as moneys become available in the Debt Service Fund, the Trustee will make transfers to the Reserve Account and the reserve accounts held in connection with any Parity Bonds until there is an amount sufficient to maintain the Reserve Requirement on deposit in such reserve accounts. No such transfer and deposit need be made to the Reserve Account (or any subaccount therein) so long as there is on deposit therein a sum at least equal to the Reserve Requirement. Subject to this Indenture all money

in the Reserve Account will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account (and subaccounts therein, as the case may be), in such order of priority, in the event of any deficiency at any time in any of such accounts or for the retirement of all the Bonds then Outstanding, except that so long as the Successor Agency is not in default hereunder, any amount in the Reserve Account in excess of the Reserve Requirement will be withdrawn from the Reserve Account semiannually on or before the 5th Business Day preceding February 1 and August 1 by the Trustee and deposited in the Interest Account. All amounts in the Reserve Account on the 5th Business Day preceding the final Interest Payment Date will be withdrawn from the Reserve Account and will be transferred either (i) to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made or, (ii) if the Successor Agency shall have caused to be deposited with the Trustee an amount sufficient to make the deposits required by this Indenture, then at the Written Request of the Successor Agency such amount shall be transferred as directed by the Successor Agency.

The Reserve Policy shall be initially deposited into the Reserve Account. The prior written consent of the Insurer shall be a condition precedent to the deposit of any Alternate Reserve Account Security, besides the Reserve Policy, provided in lieu of a cash deposit into the Reserve Account. Any such Alternate Reserve Account Security will provide that the Trustee is entitled to draw amounts thereunder when required for the purposes of making transfers from the Reserve Account to the Interest Account and the Principal Account in the event of a deficiency in any such account. Notwithstanding anything herein to the contrary, amounts on deposit in the Reserve Account shall be applied solely to the payment of debt service due on the Bonds and any Parity Bonds secured by the Reserve Account.

Notwithstanding the foregoing, the following terms shall govern the Reserve Account so long as the Reserve Policy is deposited therein:

(1) The Successor Agency shall repay any draws under the Reserve Policy and pay all related reasonable expenses incurred by the Insurer and shall pay interest thereon from the date of payment by the Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of: (x) the greater of: (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (the "Prime Rate") (any change in such Prime Rate to be effective on the date that such change is announced by JPMorgan Chase Bank) plus 3%; and (ii) the then applicable highest rate of interest with respect to the Certificates; and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event that JPMorgan Chase Bank ceases to announce its Prime Rate publicly, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the Insurer shall specify. If the interest provisions of this section shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for

the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

(2) The Successor Agency shall promptly make repayments for draws and payment of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "Policy Costs") from funds available to the Successor Agency to the extent permitted by law. To the extent that such repayment and payment cannot be made in full within then current Recognized Obligation Payment Schedule ("ROPS") period (pursuant to Health and Safety Code section 34170 et seq.), the Successor Agency shall include the payment and repayment on the next available ROPS and on successive ROPS until such payment and repayment have been made in full. Amounts in respect of Policy Costs paid to the Insurer shall be credited first to interest due, then to the expenses due and then to principal due.

(3) Amounts in respect of Policy Costs paid to the Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy. The obligation to pay Policy Costs shall be secured by a valid lien on all Pledged Tax Revenues (subject only to the priority of payment provisions set forth hereunder).

(4) All cash and investments in the Reserve Account, if any, shall be transferred to the Debt Service Fund for payment of principal of and interest on the Bonds before any drawing may be made on the Reserve Policy or any other credit facility, surety bond (other than the Reserve Policy), municipal bond insurance policy, unconditional irrevocable letter of credit or any other security device, in each case issued by providers whose long term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, is rated, at the time such security device is issued, "AA" or better by S&P credited to the Reserve Account in lieu of cash (each, a "Credit Facility"). Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(5) If the Successor Agency shall fail to pay any Policy Costs in accordance with the requirements of this section, the Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided hereunder, other than: (i) acceleration of the maturity of the Bonds; or (ii) remedies which would adversely affect Owners of the Bonds.

(6) The Indenture shall not be discharged until all Policy Costs owing to the Insurer shall have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the Bonds.

(7) The Successor Agency shall include any Policy Costs then due and owing the Insurer in the calculation of the additional bonds test and the rate covenant in this Indenture.

(8) The Trustee shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of this section and provide notice to the Insurer in accordance with the terms of the Reserve Policy at least five (5) Business Days prior to each date upon which interest or principal is due on the Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall be instructed to give notice to the Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two (2) Business Days of the date due.

At Bond Maturity, amounts on deposit in the Reserve Account shall be transferred to the reserve accounts held in connection with any additional Parity Bonds to the extent necessary to maintain the Reserve Requirement on the additional Parity Bonds then outstanding.

(d) Redemption Account. On or before the 5th Business Day preceding any date on which Bonds are to be redeemed, the Trustee shall transfer from the Debt Service Fund for deposit in the Redemption Account an amount required to pay the principal of, interest and premium, if any, on the Bonds to be redeemed on such date. Subject to this Indenture, all moneys in the Redemption Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of, interest and premium, if any, on the Bonds to be redeemed on the date set for such redemption.

Section 4.4 Rebate Fund. The Trustee shall establish the Rebate Fund and the Successor Agency shall comply with the requirements below. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, for payment to the United States Treasury. All amounts on deposit in the Rebate Fund shall be governed by this Section and the applicable Tax Certificate, unless the Successor Agency obtains an opinion of Bond Counsel that the exclusion from gross income of interest on the Bonds will not be adversely affected for federal income tax purposes if such requirements are not satisfied.

(a) Excess Investment Earnings.

(i) Computation. Within 55 days of the end of each fifth Computation Year with respect to the Bonds, the Successor Agency shall calculate or cause to be calculated the amount of rebatable arbitrage, in accordance with Section 148(f)(2) of the Code and Section 1.148-3 of the Rebate Regulations (taking into account any applicable exceptions with respect to the computation of the rebatable arbitrage, described, if applicable, in the Tax Certificate (e.g., the temporary investments exception of Section 148(f)(4)(B) and the construction expenditure exception of Section 148(f)(4)(C) of the Code), for this purpose treating the last day of the applicable Computation Year as a computation date, within the meaning of Section 1.148-1(b) of the Rebate Regulations (the "Rebatable Arbitrage"). The Successor Agency shall obtain expert advice as to the amount of the Rebatable Arbitrage to comply with this Section.

(ii) Transfer. Within 55 days of the end of each fifth Computation Year with respect to the Bonds, upon the Finance Officer's written direction, an amount shall be deposited to the Rebate Fund by the Trustee from any legally available funds, including the other funds and accounts established herein, so that the balance in the Rebate Fund shall equal the amount of

Rebatable Arbitrage so calculated in accordance with clause (i) of this Section 4.4(a). In the event that immediately following the transfer required by the previous sentence, the amount then on deposit to the credit of the Rebate Fund exceeds the amount required to be on deposit therein, upon written instructions from the Finance Officer, the Trustee shall withdraw the excess from the Rebate Fund and then credit the excess to the Debt Service Fund.

(iii) Payment to the Treasury. The Successor Agency shall direct the Trustee in writing to pay to the United States Treasury, out of amounts in the Rebate Fund.

(X) Not later than 60 days after the end of (A) the fifth Computation Year with respect to the Bonds, and (B) each applicable fifth Computation Year thereafter, an amount equal to at least 90% of the Rebatable Arbitrage calculated as of the end of such Computation Year; and

(Y) Not later than 60 days after the payment of all the Bonds, an amount equal to 100% of the Rebatable Arbitrage calculated as of the end of such applicable Computation Year, and any income attributable to the Rebatable Arbitrage, computed in accordance with Section 148(f) of the Code.

In the event that, prior to the time of any payment required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the Successor Agency shall calculate or cause to be calculated the amount of such deficiency and deposit an amount received from any legally available source, including the other funds and accounts established herein, equal to such deficiency in the Rebate Fund prior to the time such payment is due. Each payment required to be made pursuant to this Subsection 4.4(a)(iii) shall be made to the Internal Revenue Service Center, Ogden, Utah 84201 on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T prepared by the Successor Agency, or shall be made in such other manner as provided under the Code.

(b) Disposition of Unexpended Funds. Any funds remaining in the Rebate Fund after redemption and payment of the Bonds and the payments described in Section 4.4(a)(iii), shall be transferred by the Trustee to the Successor Agency at the written direction of the Successor Agency and utilized in any manner by the Successor Agency.

(c) Survival of Defeasance. Notwithstanding anything in this Section 4.4 or this Indenture to the contrary, the obligation to comply with the requirements of this Section shall survive the defeasance of the Bonds and any Parity Bonds.

(d) Trustee Responsible. The Trustee shall have no obligations or responsibilities under this Section other than to follow the written directions of the Successor Agency. The Trustee shall have no responsibility to make any calculations of rebate or to independently review or verify such calculations.

Section 4.5 Claims upon the Insurance Policy. If, on the third Business Day prior to an Interest Payment Date there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the Insured Bonds due on such Interest Payment Date, the Trustee shall give notice to the Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the

related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Bonds due on such Interest Payment Date, the Trustee shall make a claim under the Insurance Policy and give notice to the Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Bonds and the amount required to pay principal of the Insured Bonds, confirmed in writing to the Insurer and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Insurance Policy.

The Trustee shall designate any portion of payment of principal of the Insured Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Bonds registered to the then current Bondowner, whether DTC or its Nominee or otherwise, and shall issue a replacement Insured Bond to the Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Insured Bond shall have no effect on the amount of principal or interest payable by the Successor Agency with respect to any Insured Bond or the subrogation rights of the Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (as such term is defined below) and the allocation of such funds to payment of interest on and principal of any Insured Bond. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Bondowners referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Insurance Policy in trust on behalf of Bondowners and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Bondowners in the same manner as principal and interest payments are to be made on the Bonds under this Indenture. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the Insurer: (i) a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy (the "Bond Insurer Advances"); and (ii) interest on such Bond Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate (as such term is defined below) per annum (collectively, the "Bond Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of: (a) the greater of: (1) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%; and (2) the then applicable highest rate of interest on the Insured Bonds; and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Successor Agency hereby covenants and agrees that the Bond Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the Insured Bonds.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following a Payment Date shall promptly be remitted to the Insurer.

The Insurer shall, to the extent that it makes any payment of principal of or interest on the Insured Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the Insurer hereunder shall survive the discharge or termination thereof.

The Insurer shall be entitled to pay principal of or interest on the Insured Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Successor Agency (as such terms are defined in the Insurance Policy), whether or not the Insurer has received a Notice of Nonpayment (as such term is defined in the Insurance Policy) or a claim upon the Insurance Policy.

ARTICLE V

OTHER COVENANTS OF THE SUCCESSOR AGENCY

Section 5.1 Covenants of the Successor Agency. As long as the Bonds are outstanding and unpaid, the Successor Agency shall (through its proper members, officers, agents or employees) faithfully perform and abide by all of the covenants, undertakings and provisions contained in this Indenture or in any Bond issued hereunder, including the following covenants and agreements for the benefit of the Bondowners which are necessary, convenient and desirable to secure the Bonds and will tend to make them more marketable; provided, however, that the covenants do not require the Successor Agency to expend any funds other than the Pledged Tax Revenues:

Covenant 1. Use of Proceeds; Management and Operation of Properties. The Successor Agency covenants and agrees that the proceeds of the sale of the Bonds will be deposited and used as provided in this Indenture and that it will manage and operate all properties owned by it comprising any part of the Project Area in a sound and businesslike manner.

Covenant 2. No Priority. The Successor Agency covenants and agrees that it will not issue any obligations payable, either as to principal or interest, from the Pledged Tax Revenues which have any lien upon the Pledged Tax Revenues prior or superior to the lien of the Bonds. Except as permitted by Section 3.4 hereof, it will not issue any obligations, payable as to principal or interest, from the Pledged Tax Revenues, which have any lien upon the Pledged Tax Revenues on a parity with the Bonds authorized herein. Notwithstanding the foregoing, nothing in this Indenture shall prevent the Successor Agency (i) from issuing and selling pursuant to law, refunding obligations payable from and having any lawful lien upon the Pledged Tax Revenues, if such refunding obligations are issued for the purpose of, and are sufficient for the purpose of, refunding all of the Outstanding Bonds and Parity Bonds, (ii) from issuing and selling obligations which have, or purport to have, any lien upon the Pledged Tax Revenues which is junior to the Bonds or (iii) from issuing and selling bonds or other obligations which are payable in whole or in part from sources other than the Pledged Tax Revenues. As used herein "obligations" includes, without limitation, bonds, notes, interim certificates, debentures or other obligations.

Covenant 3. Punctual Payment. The Successor Agency covenants and agrees that it will duly and punctually pay or cause to be paid the principal of and interest on each of the Bonds on the

date, at the place and in the manner provided in the Bonds. Further, it will take all actions required under the Dissolution Act to include on the Recognized Obligation Payment Schedules for each six-month period all payments to the Trustee to satisfy the requirements of Section 4.2 of this Indenture, including any amounts required under the Indenture to replenish the Reserve Account of the Debt Service Fund to full amount of the Reserve Requirement.

Covenant 4. Payment of Taxes and Other Charges. The Successor Agency covenants and agrees that it will from time to time pay and discharge, or cause to be paid and discharged, all payments in lieu of taxes, service charges, assessments or other governmental charges which may lawfully be imposed upon the Successor Agency or any of the properties then owned by it in the Project Area, or upon the revenues and income therefrom, and will pay all lawful claims for labor, materials and supplies which if unpaid might become a lien or charge upon any of the properties, revenues or income or which might impair the security of the Bonds or the use of Pledged Tax Revenues or other legally available funds to pay the principal of and interest on the Bonds, all to the end that the priority and security of the Bonds shall be preserved; provided, however, that nothing in this covenant shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of the payment.

Covenant 5. Books and Accounts; Financial Statements. The Successor Agency covenants and agrees that it will at all times keep, or cause to be kept, proper and current books and accounts (separate from all other records and accounts) in which complete and accurate entries shall be made of all transactions relating to the Redevelopment Project and the Pledged Tax Revenues and other funds relating to the Project Area. The Successor Agency will prepare within one hundred eighty (180) days after the close of each of its Fiscal Years a postaudit of the financial transactions and records of the Successor Agency for the Fiscal Year to be made by an Independent Certified Public Accountant appointed by the Successor Agency, and will furnish a copy of the postaudit to the Trustee and any rating agency which maintains a rating on the Bonds, and, upon written request, to any Bondowner. The Trustee shall have no duty to review such postaudits.

Covenant 6. Eminent Domain Proceeds. The Successor Agency covenants and agrees that if all or any part of the Redevelopment Project Area should be taken from it without its consent, by eminent domain proceedings or other proceedings authorized by law, for any public or other use under which the property will be tax exempt, it shall take all steps necessary to adjust accordingly the base year property tax roll of the Project Area.

Covenant 7. Disposition of Property. The Successor Agency covenants and agrees that it will not dispose of more than ten percent (10%) of the land area in the Project Area (except property shown in the Redevelopment Plan in effect on the date this Indenture is adopted as planned for public use, or property to be used for public streets, public offstreet parking, sewage facilities, parks, easements or right-of-way for public utilities, or other similar uses) to public bodies or other persons or entities whose property is tax exempt, unless such disposition will not result in Pledged Tax Revenues to be less than the amount required for the issuance of Parity Bonds as provided in Section 3.4, based upon the certificate or opinion of an Independent Financial Consultant appointed by the Successor Agency.

Covenant 8. Protection of Security and Rights of Bondowners. The Successor Agency covenants and agrees to preserve and protect the security of the Bonds and the rights of the Bondowners and to contest by court action or otherwise (a) the assertion by any officer of any government unit or any other person whatsoever against the Successor Agency that (i) the Law

(except as modified by the Dissolution Act) is unconstitutional or (ii) that the Pledged Tax Revenues pledged under this Indenture cannot be paid to the Successor Agency for the debt service on the Bonds or (b) any other action affecting the validity of the Bonds or diluting the security therefor, including, with respect to the Pledged Tax Revenues, the senior lien position of the Bonds to the Pass-Through Agreements.

Covenant 9. Tax Covenants. The Successor Agency covenants and agrees to contest by court action or otherwise any assertion by the United States of America or any departments or agency thereof that the interest received by the Bondowners is includable in gross income of the recipient under federal income tax laws on the date of issuance of the Bonds. Notwithstanding any other provision of this Indenture, absent an opinion of Bond Counsel that the exclusion from gross income of interest with respect to the Bonds will not be adversely affected for federal income tax purposes, the Successor Agency covenants to comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

(1) Private Activity. The Successor Agency will take no action or refrain from taking any action or make any use of the proceeds of the Bonds or Parity Bonds or of any other monies or property which would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code;

(2) Arbitrage. The Successor Agency will make no use of the proceeds of the Bonds or of any other amounts or property, regardless of the source, or take any action or refrain from taking any action which will cause the Bonds or Parity Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code;

(3) Federal Guaranty. The Successor Agency will make no use of the proceeds of the Bonds or take or omit to take any action that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code;

(4) Information Reporting. The Successor Agency will take or cause to be taken all necessary action to comply with the informational reporting requirement of Section 149(e) of the Code;

(5) Hedge Bonds. The Successor Agency will make no use of the proceeds of the Bonds or any other amounts or property, regardless of the source, or take any action or refrain from taking any action that would cause either any Bonds to be considered "hedge bonds" within the meaning of Section 149(g) of the Code unless the Successor Agency takes all necessary action to assure compliance with the requirements of Section 149(g) of the Code to maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes; and

(6) Miscellaneous. The Successor Agency will take no action or refrain from taking any action inconsistent with its expectations stated in that certain Tax Certificate executed by the Successor Agency in connection with each issuance of Bonds and will comply with the covenants and requirements stated therein and incorporated by reference herein.

Covenant 10. Compliance with Dissolution Act. The Successor Agency covenants that it will comply with the requirements of the Dissolution Act. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all

public hearings required under the Dissolution Act to assure compliance by the Successor Agency with its covenants hereunder. Further, it will take all actions required under the Dissolution Act to include scheduled debt service on the Bonds, as well as any amount required under this Indenture to replenish the Reserve Account of the Debt Service Fund, in Recognized Obligation Payment Schedules for each six-month period so as to enable the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund to the Agency's Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Successor Agency to transfer to the Trustee the amounts required to pay principal of, and interest on, the Bonds coming due in the respective six-month period. These actions will include, without limitation, placing on the periodic Recognized Obligation Payment Schedule for approval by the Oversight Board and State Department of Finance, to the extent necessary, the amounts to be held by the Successor Agency as a reserve until the next six-month period, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Dissolution Act, that are necessary to provide for the payment of principal and interest under this Indenture when the next property tax allocation is projected to be insufficient to pay all obligations due under this Indenture for the next payment due thereunder and hereunder in the following six-month period.

Covenant 11. Limitation on Indebtedness. The Successor Agency covenants and agrees that it has not and will not incur any loans, obligations or indebtedness repayable from Pledged Tax Revenues such that the total aggregate debt service on said loans, obligations or indebtedness incurred from and after the date of adoption of the Redevelopment Plan, when added to the total aggregate debt service on the Bonds, will exceed the maximum amount of Pledged Tax Revenues to be divided and allocated to the Successor Agency pursuant to the Redevelopment Plan. The Successor Agency shall file annually with the Trustee on or prior to August 1 of each year a Written Certificate of the Successor Agency certifying that Pledged Tax Revenues received by the Successor Agency through the date of the certificate combined with the amount remaining to be paid on all outstanding obligations of the Successor Agency will not exceed the Plan Limit. To the extent it does, all Pledged Tax Revenues will be deposited in an escrow account and applied to the payment or redemption of such outstanding obligations at the next available optional redemption date.

Covenant 12. Further Assurances. The Successor Agency covenants and agrees to 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 rights and benefits provided in this Indenture.

Covenant 13. Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any participating underwriter, holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

ARTICLE VI

THE TRUSTEE

Section 6.1 Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of 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 covenants 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 trustee would exercise or use under the circumstances in the conduct of its own affairs.

(b) The Successor Agency may remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee (i) 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 (ii) if at any time the Successor Agency has knowledge that the Trustee has ceased to be eligible in accordance with subsection (e) of this Section, or has become incapable of acting, or has been adjudged as bankrupt or insolvent, or a receiver of the Trustee or its property has been appointed, or any public officer shall have taken control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of written notice of such removal by the Successor Agency to the Trustee, whereupon the Successor Agency shall appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving prior written notice of such resignation to the Successor Agency, and by giving the Owners notice of such resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Successor Agency shall promptly appoint a successor Trustee by an instrument in writing.

(d) 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 45 days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other 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 Successor Agency 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 Written Request of the Successor Agency 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 Successor Agency 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 Successor Agency shall mail, with a copy to the Successor Trustee, a notice of the succession of such Trustee to the trusts hereunder to each rating agency which then has a current rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books. If the Successor Agency fails to mail such notice within 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 Successor Agency. Notwithstanding any other provisions of this Indenture, no removal, resignation or termination of the Trustee shall take effect until a successor shall be appointed.

(e) Every successor Trustee appointed under the provisions of this Indenture shall be a trust company, national banking association or bank in good standing authorized to exercise trust powers or having the powers of a trust company and duly authorized to exercise trust powers within the State having a combined capital and surplus of at least $75,000,000, 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 (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

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

(g) Before taking any action under Article VIII or this Section 6.1 at the request or direction of the Owners, the Trustee may require that an indemnity bond satisfactory to the Trustee be furnished by the Owners for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or its willful misconduct in connection with any action so taken.

Section 6.2 Merger or Consolidation. Any bank, national banking association or trust company into which the Trustee may be merged or converted or with which either of them may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under subsection (e) of Section 6.1, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.3 Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Successor Agency, and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the Bonds nor shall incur any responsibility in respect thereof, other than as expressly stated herein. 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 any Bonds with the same rights it would have if they 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 the 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 shall have been 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 a majority 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 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, except for actions arising from the negligence or willful misconduct of the Trustee. The permissive right of the Trustee to do things enumerated hereunder shall not be construed as a mandatory duty.

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until it shall have actual knowledge thereof, or shall have received written notice thereof at its Trust Office. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee shall not be responsible for reviewing the contents of any financial statements furnished to the Trustee pursuant to Section 5.1 and may rely conclusively on the certificates accompanying such financial statements to establish the Successor Agency's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Pledged Tax Revenues into the Redevelopment Obligation Retirement Fund and the investment and application of moneys on deposit in the Redevelopment Obligation Retirement Fund (other than its covenants to transfer such moneys to the Trustee when due hereunder).

(f) No provision in this Indenture shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability hereunder.

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

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

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

(j) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Trustee shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. 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 instructions conflict or are inconsistent with a subsequent written instruction. The Successor Agency agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions 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.

(k) 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.

(l) The Trustee shall not be responsible for or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

Section 6.4 Right to Rely on Documents. The Trustee shall be protected in acting upon any notice, resolution, facsimile, request, consent, order, certificate, report, opinion or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties, in the absence of negligence or willful misconduct by the Trustee. The Trustee may consult with counsel, including, without limitation, counsel of or to the Successor Agency, with regard to legal questions, and, in the absence of negligence or willful misconduct by the Trustee, the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

The Trustee shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto is established to the satisfaction of the Trustee.

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 Written Certificate of the Successor Agency, which 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 Written 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 deem reasonable. The Trustee may conclusively rely on any certificate or report of any Independent Accountant or Independent Redevelopment Consultant appointed by the Successor Agency.

Section 6.5 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 at all reasonable times during regular business hours upon reasonable notice to the inspection of the Successor Agency and any Owner, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

Section 6.6 Compensation and Indemnification. The Successor Agency shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties under this Indenture. Upon the occurrence of an Event of Default, the Trustee shall have a first lien on the Pledged Tax Revenues and all funds and accounts held by the Trustee hereunder to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel incurred in declaring such Event of Default and in exercising the rights and remedies set forth in Article VIII hereof.

The Successor Agency further covenants and agree, but only to the extent permitted and limited by law, to indemnify and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense, and liabilities which it may incur arising out of or in the exercise and performance of its powers and duties hereunder, including the costs and expenses and those of its attorneys and advisors of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or willful misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Successor Agency under this section shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.7 Investment of Moneys in Funds and Accounts. Subject to the provisions of Article V hereof, all moneys held by the Trustee in the Debt Service Fund, the Costs of Issuance Fund, the Redemption Account or the Rebate Fund, shall, at the written direction of the Successor Agency, be invested only in Permitted Investments. If the Trustee receives no written directions from the Successor Agency as to the investment of moneys held in any fund or account, the Trustee shall invest such moneys solely in Permitted Investments described in subsection (b)(5) of the definition thereof; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a written direction of the Successor Agency specifying a specific money market fund and, if no such written direction of the Successor Agency is so received, the Trustee shall hold such moneys uninvested.

(a) Moneys in the Redevelopment Obligation Retirement Fund shall be invested by the Successor Agency only in obligations permitted by the Law, which will by their terms mature not later than the date the Successor Agency estimates the moneys represented by the particular investment will be needed for withdrawal from the Redevelopment Obligation Retirement Fund.

(b) Moneys in the Interest Account, the Principal Account and the Redemption Account of the Debt Service Fund shall be invested only in obligations, which will by their terms mature on such dates as to ensure that before each interest and principal payment date, there will be in such account, from matured obligations and other moneys already in such account, cash equal to the interest and principal payable on such payment date.

(c) Moneys in the Reserve Account shall be invested in (i) obligations, which will by their terms mature on or before the date of the final maturity of the Bonds or five (5) years from the date of investment, whichever is earlier or (ii) an investment agreement, which permits withdrawals or deposits without penalty at such time as such moneys will be needed or in order to replenish the Reserve Account.

(d) Moneys in the Rebate Fund shall be invested in Defeasance Securities that mature on or before the date such amounts are required to be paid to the United States.

Obligations purchased as an investment of moneys in any of the funds or accounts shall be deemed at all times to be a part of such respective fund or account and the interest accruing thereon and any gain realized from an investment shall be credited to such fund or account and any loss resulting from any authorized investment shall be charged to such fund or account without liability to the Trustee. The Successor Agency or the Trustee, as the case may be, shall sell or present for redemption any obligation purchased whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund or account as required by this Indenture and shall incur no liability for any loss realized upon such a sale. All interest earnings received on any monies invested in the Interest Account, Principal Account, Redemption Account or Reserve Account, to the extent they exceed the amount required to be in such account, shall be transferred on each Interest Payment Date to the Debt Service Fund. All interest earnings on monies invested in the Rebate Fund shall be retained in such fund and applied as set forth in Section 4.4. The Trustee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section 6.7. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Section 6.7 hereof. The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Successor Agency periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

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

The value of Permitted Investments shall be determined as follows: (i) as to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination; (ii) as to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The

New York Times: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service; (iii) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and (iv) as to any investment not specified above: the value thereof established by prior agreement between the Successor Agency and the Trustee. If more than one provision of this definition of "value" shall apply at any time to any particular investment, the value thereof at such time shall be determined in accordance with the provision establishing the lowest value for such investment; provided, notwithstanding the foregoing, in making any valuations hereunder, the Trustee may utilize and conclusively rely upon such pricing services as may be regularly available to it, including, without limitation, those within its regular accounting system.

Section 6.8 Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which complete and accurate entries shall be made of all transactions made by it relating to the proceeds of the Bonds and all funds and accounts held by it established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Successor Agency at reasonable hours and under reasonable circumstances with reasonable prior notice. The Trustee shall furnish to the Successor Agency, at least quarterly, an accounting of all transactions in the form of its regular account statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture.

Section 6.9 Appointment of Co-Trustee or Agent. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee or Successor Agency appoint an additional individual or institution as a separate co-trustee. The following provisions of this Section 6.9 are adopted to these ends.

In the event that the Trustee or Successor Agency appoint an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee to exercise such powers, rights and remedies, and every covenant an obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Should any instrument in writing from the Successor Agency be required by the separate trustee or co-trustee so appointed by the Trustee or Successor Agency for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Successor Agency. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be

exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

In addition to the appointment of a co-trustee hereunder, the Trustee may, at the expense and with the prior written consent of the Successor Agency, appoint any agent of the Trustee for the purpose of administering the transfers or exchanges of Bonds or for the performance of any other responsibilities of the Trustee hereunder.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.1 Amendment Without Consent of Owners. This Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption, without consent of any Owners, to the extent permitted by law for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Successor Agency in this Indenture contained, other covenants and agreements thereafter to be observed or to limit or surrender any rights or power herein reserved to or conferred upon the Successor Agency; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not materially adversely affect the interests of the Owners; or

(c) to provide the issuance of Parity Bonds pursuant to Section 3.4, and to provide the terms and conditions under which such Parity Bonds may be issued, including but not limited to the establishment of Redevelopment Obligation Retirement Funds and accounts relating thereto and any other provisions relating solely thereto, subject to and in accordance with the provisions of Section 3.4; or

(d) to amend any provision hereof relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exclusion from gross income for purposes of federal income taxation of interest on any of the Bonds, in the opinion of nationally-recognized bond counsel.

Section 7.2 Amendment With Consent of Owners. Except as set forth in Section 7.1, this Indenture and the rights and obligations of the Successor Agency, the Insurer, and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding, upon receipt of the prior written consent of the Insurer, when the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premiums (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or

modification, or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Section 7.3 Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.4 Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Successor Agency may determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency, the Owners of such Bonds shall present such Bonds for that purpose at the Trust Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared and executed in exchange for any or all of the Bonds and, in that case upon demand of the Successor Agency, the Owners of the Bonds shall present such Bonds for exchange at the Trust Office of the Trustee, without cost to such Owners.

Section 7.5 Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond and the Insurer consents thereto.

Section 7.6 Opinion of Counsel. The Trustee shall be provided an opinion of counsel that any such Amendment or Supplemental Indenture entered into by the Successor Agency and the Trustee complies with the provisions of this Article VII and the Trustee may conclusively rely upon such opinion.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.1 Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(a) if default shall be made in the due and punctual payment of the principal of or interest or redemption premium (if any) on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of 30 days following receipt by the Successor Agency of written notice from the Trustee or any Owner of the occurrence of such default; or

(c) if the Successor Agency shall commence a voluntary action under Title 11 of the United States Code or any substitute or successor statute.

Immediately upon becoming aware of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Successor Agency in writing. Such notice shall also state whether the principal of the Bonds shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (c) above the Trustee shall, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give such notice to the Successor Agency, and the Owners in the same manner as provided herein for notices of redemption of the Bonds, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid interest on the Bonds is actually paid on such date.)

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law) at the net effective rate then borne by the Outstanding Bonds, and the reasonable fees and expenses of the Trustee, including but not limited to attorneys' fees, 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 at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences. However, 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.

Upon the occurrence of an event of default, the Trustee may, upon the prior written consent of the Insurer, and shall, at the direction of the Insurer, by written notice to the Successor Agency, (a) declare the principal of the Bonds to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this Indenture in the Bonds to the contrary notwithstanding, and (b) upon receipt of indemnity to its satisfaction exercise any other remedies available to the Trustee and the Owners in law or at equity. Notwithstanding the foregoing, in the event the principal of the Insured Bonds is accelerated, the Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Insurer) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the Insurer's obligations under the Insurance Policy with respect to such Insured Bonds shall be fully discharged.

Section 8.2 Application of Funds Upon Acceleration. All of the Pledged Tax Revenues and all sums in the funds and accounts established and held by the Trustee hereunder upon the date of the declaration of acceleration as provided in Section 8.1, and all sums thereafter received by the

Trustee hereunder, shall be applied by the Trustee in the order following, upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys and counsel including all sums owed the Trustee pursuant to Section 6.6 herein; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest or any Bond over any other Bond.

Section 8.3 Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 8.4 Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of 60 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the 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 any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provisions of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of (and premium, if any) and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.5 Non-waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Pledged Tax Revenues and other amounts pledged hereunder, the principal of and interest and redemption premium (if any) on the Bonds to the respective Owners on the respective Interest Payment Dates, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon 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 conferred upon the Owners by the Dissolution Act or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners, the Successor Agency and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.6 Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds or Parity Bonds, as applicable, shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, provided the Trustee shall have no duty or obligation to enforce any such right or remedy if it has not been indemnified to its satisfaction from loss, liability or any expense including, but not limited to reasonable fees and expenses of its attorneys.

Section 8.7 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

ARTICLE IX

MISCELLANEOUS

Section 9.1 Benefits Limited to Parties. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than

the Successor Agency, the Trustee, and the registered Owners of the Bonds, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Successor Agency, the Trustee, and the registered Owners of the Bonds.

Section 9.2 Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency 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 Successor Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.3 Discharge of Indenture. If the Successor Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on all Outstanding Bonds, including all principal, interest and redemption premiums, (if any), or;

(ii) by irrevocably depositing with the Trustee, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, is fully sufficient to pay all Outstanding Bonds, including all principal, interest and redemption premiums (if any), or,

(iii) by irrevocably depositing with the Trustee, in trust, Defeasance Securities in such amount as an Independent Certified Public Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds (including all principal, interest and redemption premiums, if any) at or before maturity, and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been given pursuant to Section 2.3(h) or provision satisfactory to the Trustee shall have been made for the giving of such notice then, at the election of the Successor Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Pledged Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the Successor Agency under this Indenture with respect to all Outstanding Bonds shall cease and terminate, except only (a) the obligation of the Trustee to transfer and exchange Bonds hereunder and (b) the obligation of the Successor Agency to pay or cause to be paid to the Owners, from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee all fees, expenses and costs of the Trustee. Notice of such election shall be filed with the Trustee. Any funds thereafter held by the Trustee, which are not required for said purpose, shall be paid over to the Successor Agency.

In the event of a refunding of all or a portion of the Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants verifying the sufficiency of the escrow established to pay the Bonds in full, and (ii) an opinion of nationally recognized Bond Counsel to the effect that the Insured Bonds are no longer "Outstanding" under this Indenture, each of which shall be addressed to the Successor Agency and the Trustee.

In addition, so long as the Insurance Policy in is full force and effect and the Insurer has not defaulted on its obligations thereunder, the Successor Agency shall deliver to the Insurer the items set forth in (i) and (ii) of the preceding paragraph as applicable to the Insured Bonds, both of which shall be acceptable in form and substance to the Insurer, along with an Escrow Deposit Agreement (which shall be acceptable in form and substance to the Insurer) and a certificate of discharge of the Trustee with respect to the Insured Bonds. The Insurer shall receive drafts of these documents at least three Business Days prior to the funding of the escrow for the refunding.

Section 9.4 Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing 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 Bonds and the amount, maturity, number and date of ownership thereof shall be provided by the Registration Books.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Successor Agency or the Trustee in good faith and in accordance therewith.

Section 9.5 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 Successor Agency or the City (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, provided, however, that for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver, only Bonds which the Trustee knows to be so owned or held shall be disregarded. Upon request of the Trustee, the Successor Agency and 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 9.6 Waiver of Personal Liability. No member, office, agent or employee of the Successor Agency shall be individually or personal liable for the payment of the principal of or interest or any premium on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.7 Destruction of Canceled Bonds. Whenever in this Indenture provision is made for the surrender to the Trustee of any Bonds which have been paid or canceled pursuant to the provisions of this Indenture, the Trustee shall destroy such Bonds and upon written request of the Successor Agency, provide the Successor Agency a certificate of destruction. The Successor Agency

shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.8 Notices. Any notice, request, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by first class mail, postage prepaid, or sent by telegram or facsimile, addressed as follows:

If to the Successor Agency: Successor Agency to the Lindsay Redevelopment Agency
251 E. Honolulu Street
Lindsay, California 93247
Attention: City Manager

If to the Trustee: U.S. Bank National Association
1420 5th Avenue, 7th Floor PD-WA-T7CT
Seattle, Washington 98101
Attention: Corporate Trust Services

If to the Insurer: [**To Come**]

Section 9.9 Partial Invalidity. If any section, paragraph, sentence, clause or phrase of this Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The Successor Agency hereby declares that it would have adopted this Indenture and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the issue 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. If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Trustee hereunder shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.1 hereof, be assumed by and vest in the Finance Officer of the Successor Agency in trust for the benefit of the Owners that the Finance Officer in such case shall be vested with all of the rights and powers of the Trustee hereunder, and shall assume all of the responsibilities and perform all of the duties of the Trustee hereunder, in trust for the benefit of the Bondowners, pending appointment of a successor Trustee in accordance with the provisions of Section 6.1 hereof.

Section 9.10 Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium (if any) and principal have become payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the Successor Agency for the payment of the principal of and interest and redemption premium (if any) on such Bonds.

Section 9.11 Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.12 Governing Law. This Indenture shall be construed and governed in accordance with the Laws of the State.

Section 9.13 Payments Due on Other Than a Business Day. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Indenture, is not a Business Day, such payment, with no interest accruing for the period from and after such nominal date, may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided therefore in this Indenture.

Section 9.14 Insurer as Third Party Beneficiary. So long as the Insurance Policy is in full force and effect and the Insurer is not in default of its obligations thereunder, the following provisions shall apply, notwithstanding anything to the contrary under this Indenture:

(a) The rights granted to the Insurer hereunder to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Bondowners, and such action does not evidence any position of the Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the Insurer.

(b) The Insurer shall be provided with the following information by the Successor Agency or the Trustee, as the case may be:

(i) Annual audited financial statements within 270 days after the end of the Successor Agency's Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and the Successor Agency's annual budget, if any, within 30 days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;

(ii) Notice of any draw upon amounts in the Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of the Insured Bonds;

(iii) Notice of any default known to the Trustee, or the Successor Agency within five (5) Business Days after knowledge thereof;

(iv) Prior notice of the advance refunding or prepayment of any of the Insured Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto;

(vi) Notice of the commencement of any proceeding by or against the Successor Agency commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the Insured Bonds;

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver hereto; and

(ix) All reports, notices and correspondence to be delivered to Bondowners under the terms hereof.

(x) Such additional information as the Insurer may reasonably request;

(c) The Successor Agency will permit the Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information that the Insurer may reasonably request regarding the security for the Insured Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice;

(d) the Trustee shall notify the Insurer of any failure of the Successor Agency to provide notices, certificates and other information hereunder;

(e) in determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, hereunder would adversely affect the security for the Insured Bonds or the rights of the Bondowners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Insurance Policy;

(f) no contract shall be entered into or any action taken by which the rights of the Insurer or security for or sources of payment of the Insured Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer; and

(g) No issuance or delivery of Additional Parity Bonds may occur (i) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (ii) unless the Reserve Account is fully funded at the Reserve Requirement (including the proposed issue) upon the issuance or delivery of such Additional Parity Bonds, in either case unless otherwise permitted by the Insurer.

(h) The Successor Agency shall pay or reimburse the Insurer any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with: (i) the administration, enforcement, defense or preservation of any rights or security herein; (ii) the pursuit of any remedies hereunder 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; or (iv) any litigation or other dispute in connection herewith or the transactions contemplated hereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect hereof.

(i) Anything herein to the contrary notwithstanding, so long as the Insurance Policy is in full force and effect and the Insurer is not in default of its obligations thereunder, upon the occurrence and continuance of an Event of Default, the Insurer shall be deemed to be the sole holder of the Insured Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Insured Bonds are entitled to take pursuant hereto pertaining to: (a) defaults and remedies; and (b) the duties and obligations of

the Trustee. In furtherance thereof and as a term of this Indenture and each Bond, the Trustee and each Bondholder appoint the Insurer as their agent and attorney-in-fact and agree that the Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under the United State Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Bondholder delegate and assign to the Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Bondholder in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

So long as the Insurance Policy is in full force and effect and the Insurer is not in default of its obligations thereunder, the Trustee may not waive any Event of Default without the Insurer's prior written consent.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE LINDSAY REDEVELOPMENT AGENCY, has caused this Indenture to be signed in its name by its Chair and attested by its Secretary, and U.S. BANK NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer hereunto duly authorized, all as of the day and year first above written.

SUCCESSOR AGENCY TO THE LINDSAY
REDEVELOPMENT AGENCY

By: _____
Its: Chair

ATTEST:

By: _____
Secretary

U.S. BANK NATIONAL ASSOCIATION
as Trustee

By: _____
Its: Authorized Officer

EXHIBIT A

(FORM OF BOND)

No. R-__ $_____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
(COUNTY OF TULARE)

SUCCESSOR AGENCY TO THE
LINDSAY REDEVELOPMENT AGENCY
LINDSAY REDEVELOPMENT PROJECT NO. ONE
TAX ALLOCATION REFUNDING BOND, ISSUE OF 2015

Interest Rate	Maturity Date	Dated Date	CUSIP
____%	August 1, 20__	_____, 2015	535536____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

The SUCCESSOR AGENCY TO THE LINDSAY REDEVELOPMENT AGENCY, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns, on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on an interest payment date, in which event it shall bear interest from such date of authentication, or (ii) this Bond is authenticated prior to an interest payment date and after the close of business on the fifteenth calendar day of the month preceding such interest payment date (a "Record Date"), in which event it shall bear interest from such interest payment date, or (iii) this Bond is authenticated on or before [July 1, 2015], in which event it shall bear interest from the Dated Date stated above; 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 interest payment date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the rate per annum stated above, payable semiannually on February 1 and August 1 in each year (each an "interest payment date"), commencing [August 1, 2015], calculated on the basis of a 360-day year composed of twelve 30-day months. Principal hereof and premium, if any, upon early redemption hereof are payable upon presentation and surrender of this Bond at the corporate trust office of U.S. Bank National Association, as trustee (the "Trustee"). Interest hereon (including the final interest payment upon maturity or earlier redemption) is payable by check of the Trustee mailed on the interest payment date by first class mail to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee at the close of business on the Record Date next preceding such interest payment date; provided, however, that

upon the written request of any Registered Owner of at least $1,000,000 in principal amount of Bonds received by the Trustee at least fifteen (15) days prior to such Record Date, payment shall be made by wire transfer in immediately available funds to an account in the United States designated by such Owner.

This Bond is one of a duly authorized issue of Bonds of the Successor Agency designated as "Successor Agency to the Lindsay Redevelopment Agency Lindsay Redevelopment Project No. One Tax Allocation Refunding Bonds, Issue of 2015" (the "Bonds"), in an aggregate principal amount of _____ Dollars ($_____), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, interest rates or redemption and other provisions) and all issued pursuant to the provisions of the Refunding Bond Act, being Article II (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Act"), and pursuant to a resolution of the Successor Agency adopted on _____, 2015, and a resolution adopted by the Oversight Board on _____, 2015, and an Indenture of Trust, dated as of _____ 1, 2015, entered into by and between the Successor Agency and the Trustee (the "Indenture"), authorizing the issuance of the Bonds. Additional bonds, notes or other obligations may be issued on a parity with the Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues, as that term is defined in the Indenture, and the rights thereunder of the registered owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Successor Agency to refund the Prior Agency's previously issued $4,700,000 Lindsay Redevelopment Project No. One, Tax Allocation Refunding Bonds, Issue of 2005, $7,880,000 Lindsay Redevelopment Project No. One Tax Allocation Bonds, Issue of 2007, and $3,710,000 Lindsay Redevelopment Project No. One, Tax Allocation Refunding Bonds, Issue of 2008.

The Bonds are special obligations of the Successor Agency and are payable from, and are secured by a pledge of and lien on the Pledged Tax Revenues derived by the Successor Agency from the Project Area (as that term is defined in the Indenture).

There has been created and will be maintained by the Successor Agency the Redevelopment Obligation Retirement Fund (as defined in the Indenture) into which Pledged Tax Revenues shall be deposited and transferred to the Trustee for deposit into the Debt Service Fund (as defined in the Indenture) from which the Trustee shall pay the principal of and the interest and redemption premium, if any, on the Bonds when due. As and to the extent set forth in the Indenture, all such Pledged Tax Revenues are exclusively and irrevocably pledged to and constitute a trust fund for, in accordance with the terms hereof and the provisions of the Indenture and the Law, the security and payment or redemption of, including any premium upon early redemption, and for the security and payment of interest on, the Bonds, any additional bonds, notes or other obligations, authorized by the Indenture to be issued on a parity therewith. In addition, the Bonds (and, if the indenture authorizing any loans, advances or indebtedness issued on a parity with the Bonds shall so provide, any such loan, advance or indebtedness) shall be additionally secured at all times by a first and exclusive pledge of and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account and the Redemption Account (as such terms are defined in

the Indenture). Except for the Pledged Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium, if any, on the Bonds.

The Bonds maturing on August 1, 2026 are subject to redemption prior to maturity in whole, or in part in the manner determined by the Successor Agency, at the option of the Successor Agency, on any date on or after August 1, 2025, from any available source of funds, at a redemption price of 100% percent of the principal amount of the Bonds to be redeemed together with accrued interest thereon to the redemption date without premium.

As provided in the Indenture, notice of redemption shall be given by first class mail no less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective registered owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books maintained by the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

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.

The Bonds are issuable as fully registered Bonds without coupons in denominations of $5,000 each and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the corporate trust office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered 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, but no such modification or amendment shall extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premiums (if any) at the time and place and at the rate and in the currency provided herein of any Bond without the express written consent of the registered owner of such Bond, reduce the percentage of Bonds required for the written consent to any such amendment or modification or, without its written consent thereto, modify any of the rights or obligations of the Trustee.

This Bond is not a debt of the City of Lindsay, the State of California, or any of its political subdivisions (except the Successor Agency), and none of said City, said State, nor any of its political subdivisions (except the Successor Agency) is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those of the Successor Agency as set forth in the Indenture. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions 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 and regular time and manner as required by the Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Lindsay Redevelopment Agency has caused this Bond to be executed in its name and on its behalf with the facsimile signatures of its Executive Director and its Secretary, all as of the Dated Date.

SUCCESSOR AGENCY TO THE LINDSAY
REDEVELOPMENT AGENCY

By:_____
Executive Director

By:_____
Secretary

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____, 2015

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By:_____
Authorized Officer

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file in my office.

_____

Secretary of the Successor Agency to the
Lindsay Redevelopment Agency

STATEMENT OF INSURANCE

[TO COME]

[FORM OF ASSIGNMENT]

For value received the undersigned hereby sells, assigns and transfers unto

_____

_____

_____

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Bond and hereby irrevocably constitute(s) and appoint(s) _____ _____attorney, to transfer the same on the bond register of the Trustee with full power of substitution in the premises.

Dated: _____

_____

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.

Signature Guaranteed:

_____

Note: Signature(s) must be guaranteed by an "eligible guarantor institution."

February 5, 2015

Tamara Laken, Finance Director
City of Lindsay
251 E. Honolulu Street
Lindsay, CA 93247

Re: Refunding of certain outstanding Tax Allocation Bonds to achieve debt service savings

Financial Advisor's Report on Refunding Savings

A. $4,700,000 Lindsay Redevelopment Agency
Tax Allocation Refunding Bonds, Issue of 2005

1. Total remaining principal and interest payments: $ 5,854,225.00
2. Estimated principal and interest payments on pro rata share of 2015 Tax Allocation Refunding Bond issue: $ 5,075,616.67
3. Estimated debt service savings by issuing 2015 Bonds: $ 778,608.33

B. $7,880,000 Lindsay Redevelopment Agency
Tax Allocation Bonds, Issue of 2007

1. Total remaining principal and interest payments: $ 10,772,293.75
2. Estimated principal and interest payments on pro rata share of 2015 Tax Allocation Refunding Bond issue: $ 10,198,291.67
3. Estimated debt service savings by issuing 2015 Bonds: $ 574,002.08

C. $3,710,000 Lindsay Redevelopment Agency
Tax Allocation Bonds, Issue of 2008

1. Total remaining principal and interest payments: $ 5,720,161.52
2. Estimated principal and interest payments on pro rata share of 2015 Tax Allocation Refunding Bond issue: $ 4,756,691.67
3. Estimated debt service savings by issuing 2015 Bonds: $ 963,469.85

3111 N. Tustin, Suite 230 Orange, CA 92865-1753 • (714) 283-9334 Business • (714) 283-5465 FAX
E-Mail: financeadmin@urbanfuturesinc.com

D. **Combined Estimated Debt Service Savings:** **$ 2,316,080.26**

Urban Futures, Inc.

Douglas P. Anderson, Managing Principal

Lindsay City Council

Special Meeting/Budget Study Session
Community Development Conference Room at City Hall
251 East Honolulu, Lindsay, California
Monday, January 26, 2015
4:00PM

CALL TO ORDER:
Chairman PADILLA called the special meeting noted above to order at 4:00 p.m. in the Council Chambers at City Hall, 251 E. Honolulu, Lindsay, and California.

COUNCIL PRESENT: SALINAS, MECUM, KIMBALL, Mayor Pro Tem SANCHEZ-arrived 4:10, Mayor PADILLA.

COUNCIL ABSENT: None.

FLAG SALUTE: Councilmember MECUM.

PUBLIC COMMENT: **None.**

SUCCESSION PLAN
City Manager Rich Wilkinson & Finance Director Tamara Laken provided the Council a proposal for succession of the City Manager and Finance Director positions. This was in part in reply to the discussion with Council that we separate the duties of City Manager and Public Safety Director. This proposal could also address an ongoing conflict with Retirement benefits for both positions. He provided detailed information on the possibilities for recruitment of the position of City Administrator whereby the positions of City Manager and Finance Director could be merged thus providing a substantial saving to the City in salaries and benefits for those positions. Rich Wilkinson stated that the most pressing problems the city was facing were now under control and he would like to go back to the Public Safety Director position and resolve conflicts with his PERS Retirement and Tamara Laken is looking at retiring in August. Rich stated he would accept position of Acting City Manager until one can be found and Tamara will be here to assist with those transitions.

Lengthy Council & staff discussion followed and touched on all of the issues mentioned above and incompatibility or conflict of positions, possible conflict with our Charter for position of Finance Director, why this wasn't included on Tuesday's agenda,

Council member MECUM asked if handouts were available on-line, requested the item be included on the next agenda allowing so it would be more public.

Council direction was to include this item on the next agenda.

Council member KIMBALL just wanted clarification of the question being posed to Council. City Manager, Rich Wilkinson is asking to go back as Public Safety Director, and be designated Acting City Manager until such time as a replacement can be hired, and Tamara Laken will be retiring no later than August.

Finance Director Laken added she could assist in preparation of RFP's once Council decided in which direction they would want to go and in setting salaries and providing job descriptions. Most agency's charge $25,000 to do the recruitment process and backgrounds, etc. Staff will assist in developing these things in order to avoid these costs that the City currently has no funding mechanism for.

Mayor Pro Tem SANCHEZ inquired about using applications from previous recruitment for position of Assistant City Manager. Those applications have expired and cannot be used for this recruitment. She also added that staff should consider grooming staff to takeover at their retirement so this doesn't continue to happen.

Council member Salinas inquired on stipulations that can be included on new City Manager Contract such as "termination clause" if that person does not work out for us. City Attorney will assist in developing an acceptable contract.

City Attorney added the recruitment process can take some time so remain flexible and allow time in case you need to do a second recruitment.

SUCCESSION PLAN continued
City Manager Wilkinson stated he could replace the Finance Director position with no change in salary, but Council could replace the City Manager with an Administrative Officer and change the salary because that is who the Council hires and releases. There is no succession plan in the Finance Department at this time. There is no one trained to step in and take her place.

Finance Director added that while we have other staff that can handle the areas of administration that do not involve financial duties like Mike & Bill but we don't have anyone in finance that we can move into that position at this time. She included she will be asking for Council approve of the current salary matrix with COLA increase for miscellaneous employees and that includes the Director of Public Safety & City Manager Positions. This item will be presented for approval as a Consent Calendar item on the next City Council Agenda.

LONG RANGE PLANNING
Finance Director Tamara Laken explained the request to proceed with ReFi Bonds that will be on tomorrow's agenda then went on to report on the City's current financial status. She included scenarios of information she could provide for Council at their direction such as debt retirement, debt restructure or debt acceleration & show what the savings would be to the City, maybe increasing tax reserves and recommendations to pass a fund balance policy & investment policy. She explained the Streets, Water, Sewer & Refuse Fund and suggested they look at the re-allocation of streets funding to cover shortfalls in the Water, Sewer & Refuse funds following the rate reduction approved in 2011. Impact on the Streets fund would be approximately $73,000 to balance refuse & $52,000 to balance sewer, $200,000 from the $1M streets budget. She also provided information on current balances to CalHOME & CalHFA.

Council & staff discussion on all of the issues mentioned above occurred throughout the presentation.

SHORT BREAK CALLED THEN 2015/16 GOALS AND OBJECTIVES
City Council Members provided the following Goals and Objections for 2015/16:
Mayor Pro Tem SANCHEZ stated she had talked with the City Manager regarding initiation of a program aimed at Gang Prevention, would like to continue with current streets & sidewalk program, would like to see the water plant maintained rather than constant repairs to avoid any future health and safety issues and maintained to avoid future problems.

Mayor PADILLA wants to continue current street repair and include some sort of maintenance schedule, would like to see more recreation for kids, create an outdoor sports complex to accommodate girls softball, maybe combine (2) fields for kids K8 complex that can be utilized by our city and also able to invite other cities.

Council member KIMBALL wants us to encourage economic development; work to find a business for the former olive plant site; research options on General Plan Update, continue to work well with TCAG & CalTrans, search for water grants to get our wells up and running, advocate for Central Valley Project Water, study our plans for future Hwy Commercial Planning and look into joining the Council of Cities.

Council member MECUM wants us to continue the streets repair program, recognize our kids for deeds and accomplishments at Council meetings, encourage community service for ownership, research restart of parks reservation program and investigate the possibility that the Chamber would provide an area at the Friday night Market at no cost to Lindsay non-profits.

Council member SALINAS asked about staff research if rate reduction program is still available. There was a program whereby if borrowers chose to payoff balances early they could get a sizeable incentive to payoff early, discussed possible resurrection of STEP program in some fashion, would like to see lights installed at Harvard Park, McDermont youth recreation participants should pay for their own uniforms, look at rate structure for youth sports participants at McDermont, rates should be equitable for all participants, streetlights throughout the city, status of jet vac trailer for sewer plant and status on cleanup of burnt building on Elmwood.

Council & Staff continued throughout all member reports.

DISCUSSION ON RFP FOR GENERAL PLAN UPDATE.
Planning & Economic Development Director Bill Zigler introduced this item and staff report. He explained that staff is seeking Council direction regarding whether or not the Council desires staff to prepare an RFP to update the City's General Plan. He stated that the existing General Plan contains the required 7 elements with the

DISCUSSION ON RFP FOR GENERAL PLAN UPDATE continued
Housing Element being routinely updated. He added that the General Plan has accurately projected population growth and the current Land Use Map shows adequate available land for future housing development. He continued that the General Plan is now over 25 years old and should be considered for review. He stated that State mandates require new topics for inclusion into elements, such as air quality, complete streets, and climate change. He then asked Council whether they would like to see the boundary expanded or retained "as is" to preserve a compact form.

After some discussion he indicated that they might want to bump out the boundary west to the new Hwy 65 alignment to control development. He asked if they wanted to keep existing land use designations. He said that as an option they could simply update the plan to conform to new State requirements, but added that there is a danger in amending the plan "piece meal" which might make the city vulnerable because changing only one or two elements might push other elements out of conformance.

Council directed staff to prepare an RFP that could provide some hard numbers to address the whole comprehensive update with an EIR and one that addresses the minimum State requirements, and then bring that information back to Council for review.

APPROVAL OF CITY REPRESENTATION AT TCAG ONE-VOICE TRIP.
City Manager Rich Wilkinson introduced this item. He stated this is a request for Council approval allowing Mayor PADILLA to attend the TCAG One –Voice Trip scheduled for this April as an alternate. In reviewing the City Council's current available budget, he noted there are adequate funds to allow for this expense $1600 and added that most cities only send one representative. In sending a second representative there may be $1000 in TCAG training funds that could be used but staff will need to verify qualifying expenses.

Council member KIMBALL suggested she forego this trip until next year in order to get more information on the TCAG issues and go in her place in 2016.Council member KIMBALL is Lindsay's representative on the Rail Committee and routinely addresses officials on this issue on the City's behalf.

Mayor PADILLA felt that though she does not attend the TCAG meetings, this trip would be more beneficial for her than the League Conference this year and opted to forego that this year.

Council member SALINAS felt there was no need for the alternate to attend as she wasn't attending the meetings and didn't have enough information to be able to participate. There was no real need at this time.

Council member MECUM motioned to approve funds to allow Mayor PADILLA to attend the One Voice Trip in DC in lieu of attending the League of California Cities conference this year.

ACTION:
On Motion by MECUM and Second by SANCHEZ, the Lindsay City Council approved a request by Mayor PADILLA to attend the Annual TCAG One-Voice Trip to Washington D.C. in lieu of attending the 2015 Annual League of California Cities Conference on a vote of 3-2.

AYES: MECUM, SANCHEZ, PADILLA.
NOES: KIMBALL, SALINAS.
ABSENT: None.

ADJOURN. Upon motion of MECUM and Second of SANCHEZ Mayor PADILLA adjourned the Special Meeting/Budget Study Session at 7:35 pm. The next regular meeting is scheduled for **TUESDAY, JAN. 27, 2015** at 6pm in the Council Chambers at City Hall, 251 E. Honolulu, Lindsay CA 93247.

ATTEST: CITY COUNCIL OF THE CITY OF LINDSAY

_____ _____
Carmela Wilson, City Clerk Ramona Villarreal-Padilla, Mayor

Lindsay City Council
Successor to the Lindsay Redevelopment Agency
Special Meeting
Council Chambers at City Hall
251 East Honolulu, Lindsay, California
Tuesday, January 27, 2015
6:00PM

CALL TO ORDER.
Chairman PADILLA called the special meeting noted above to order at 6:00 p.m. in the Council Chambers at City Hall, 251 E. Honolulu, Lindsay, and California.

BOARD PRESENT: SALINAS, MECUM, KIMBALL, Vice Chair SANCHEZ, Chairman PADILLA.

BOARD ABSENT: None.

PUBLIC COMMENT: **None.**

REQUEST FOR APPROVAL TO PROCEED WITH ReFi BONDS.
Fiscal Officer, Tamara Laken introduced this item and staff report. She explained that interest rates are currently near all-time lows and by issuing its 2015 Refunding Bonds, the Agency would save approximately $2.3 million in future debt without extending the present maturity dates.

She explained the mechanisms that would be used to proceed with this request, associated costs, approximate funds this would generate and what they could be used for in further detail and asked for Board approval.

Chairman PADILLA asked if there were any questions on this item seeing and hearing none she asked Board members what if any action they would like to take?

ACTION:
On Motion by SALINAS and Second by SANCHEZ, the Successor Agency Board Approved a request to proceed with ReFi Bonds

AYES: SALINAS, SANCHEZ, KIMBALL, MECUM , PADILLA.
NOES: None.
ABSENT: None.

Meeting Adjourned at 6:03pm on Motion by MECUM and Second by KIMBALL.

CALL TO ORDER.
Mayor PADILLA called the special meeting noted above to order at 6:03 p.m. in the Council Chambers at City Hall, 251 E. Honolulu, Lindsay, and California.

COUNCIL PRESENT: SALINAS, MECUM, KIMBALL, Mayor Pro Tem SANCHEZ, Mayor PADILLA.

COUNCIL ABSENT: None.

FLAG SALUTE: Councilmember KIMBALL.

PUBLIC COMMENT:
Eric Sinclair thanked Council for their service.

CONSENT CALENDAR:
a) Meeting Minutes for Jan. 13, 2015.
b) Warrant Register for Jan. 15 & 16, 2015.
c) Temporary Use Permit allowing Angel Garden to sell flowers
at 460 W. Hermosa, Jess Automotive from Feb. 12 to Feb. 15, 2015
d) Supplemental Agreement No. 1 to 2015-4 Streets Rehab. Project Contract

ACTION:
On Motion by MECUM and Second by KIMBALL, the Lindsay City Council approved the Consent Calendar as presented.

AYES: MECUM, KIMBALL, SALINAS, SANCHEZ, PADILLA.
NOES: None.
ABSENT: None.

REQUEST TO CLOSE PUBLIC HEARING & WITHDRAW CONDITIONAL USE PERMIT APPLICATION FOR PROJECT AT 655 N. WESTWOOD.

Planning & Economic Development Director Bill Zigler introduced this item and staff report. He stated this is a request by staff to close the Public Hearing and withdraw application for Conditional Use Permit application for project at 655 N. Westwood as the applicant had not responded to staff with direction on how they wish to proceed.

The applicant has since contacted staff and a new notice and request will come before Council at a future meeting.

With no questions from Council, Mayor PADILLA asked for a motion to close the Public Hearing and withdraw the application

City Attorney suggested Council take separate action on request to close Public Hearing and request to withdraw the application.

ACTION:
On Motion by KIMBALL and Second by MECUM, approved a request to close the Public Hearing on conditional Use Permit Application for project at 655 N. Westwood.

AYES: KIMBALL, MECUM, SALINAS, SANCHEZ, PADILLA.
NOES: None.
ABSENT: None.

ACTION:
On Motion by KIMBALL and Second by MECUM, approved a request to withdraw the Conditional Use Application for project at 655 N. Westwood

AYES: KIMBALL, MECUM, SALINAS, SANCHEZ, PADILLA.
NOES: None.
ABSENT: None.

PUBLIC HEARING APPROVING RESOLUTION 15-04 A REQUEST FOR VARIANCE TO THE REAR & SIDE YARD SETBACKS AT 141 S. MIRAGE.

Planning & Economic Development Director Bill Zigler introduced this item and staff report. He stated this is a request by Garrick Peterson for a variance to the required rear and side yard setbacks to accommodate the replacement of a 19 x 21 foot storage shed with a similar shed at 141 S. Mirage Avenue. He described the request in detail and asked for Council approval based on the conditions contained in the attached draft resolution.

Mayor PADILLA explained this is a Public Hearing item, in a moment I will open the public hearing for those in support of this project then to anyone opposed. Any question Council members, hearing none she opened the Public Hearing for those in favor of the project at 6:11

Garrick Peterson described his proposed project and
Eric Sinclair spoke in support of the project

Mayor PADILLA then asked for anyone else who would like to address Council in support of the project, seeing no one else she asked for anyone who would like to address Council opposing the project, seeing none she closed the Public Hearing at 6:12. Any other questions from Council, seeing none what if any action would you like to take on this item?

ACTION:
On Motion by KIMBALL and Second by MECUM, the Lindsay City Council approved Resolution 15-04, a variance to the rear & side yard setbacks at 141 S. Mirage.

AYES: KIMBALL, MECUM , SALINAS, SANCHEZ, PADILLA.
NOES: None.
ABSENT: None.

COUNCIL REPORTS
Council member MECUM had nothing to report.

Council member KIMBALL reported on recent TCAG meeting & Cultural Arts event scheduled for this weekend.

Council member SALINAS had nothing to report.

Mayor Pro Tem SANCHEZ had nothing to report.

Mayor PADILLA had nothing to report

STUDENT REPORT
Savannah Longoria reported on the following:
Successful winter formal
Upcoming events sports schedule and
School play "Zombies from beyond"

STAFF REPORT
City Manager Rich Wilkinson reported on the following:
Public Safety partnering with LUSD for Gang Intervention
Asked Council if they would like to participate in a Joint meeting with LUSD, contact him with possible dates later
Advised Council of this weekend's Chamber Dinner and reminded them their tickets can be picked up this Friday in his office
Marie Arroyo is getting the President's Award and Lisa Waggoner will be receiving employee of the year.
Leadership Lindsay will be assisting with Lindsay sign as part of their Community Service Project
Update on Hermosa St. Median renovation project
Road Project Paving portion is running behind, asphalt not available
Status of burnt building cleanup and
Mt. Crews are here assisting with cleanup work and tree trimming

EXECUTIVE SESSION
1) Conference with Legal Counsel regarding pending litigation - GC§54956.9(d)(1)
Brian Clower vs. City of Lindsay
Tulare County Superior Court Case #257764

2) Conference with Legal Counsel - GC§54957.6
Unrepresented Employee: Rich Wilkinson, Chief of Police Contract

Mayor PADILLA reconvened the meeting and announced there was No Action taken and had nothing to report.

ADJOURN. Upon motion of MECUM and Second of KIMBALL Mayor PADILLA adjourned the Meeting of the Lindsay City Council at 7:09 pm. There is a Special Meeting for Ethics Training scheduled for Monday, February 9th at 8am in the Council Chambers and the next regular meeting is scheduled for **TUESDAY, FEB. 10, 2015** at 6pm in the Council Chambers at City Hall, 251 E. Honolulu, Lindsay CA 93247.

ATTEST: CITY COUNCIL OF THE CITY OF LINDSAY

_____ _____
Carmela Wilson, City Clerk Ramona Villarreal-Padilla, Mayor

CITY OF LINDSAY ORGANIZATIONAL CHART FOR 2014-2015

FUND /DEPT	TITLE/DESCRIPTION	
1014010	CITY COUNCIL	
1014040	CITY MANAGER	
1014050	FINANCE	
1014060	CITY ATTORNEY	
1014090	NON-DEPARTMENTAL	
1014110	PUBLIC SAFETY	
1014120	PUBLIC WORKS DEPT.	
1014130	STREETS	
1014210	PARKS	
1024111	ASSET FORFEITURE	RESTRICTED FUND
2614160	GAS TAX-MAINTENANCE	RESTRICTED FUND
2634180	TRANSPORTATION	RESTRICTED FUND
2644190	TRANSIT FUND	RESTRICTED FUND
3004300	MCDERMONT OPERATION	ENTERPRISE FUND
4004400	WELLNESS CENTER/AQUATIC	ENTERPRISE FUND
5524552	WATER	ENTERPRISE FUND
5534553	SEWER	ENTERPRISE FUND
5544554	REFUSE	ENTERPRISE FUND
5564556	LAND APPLICATION	SPECIAL REVENUE FUND
600	CAPITAL IMPROVEMENT FUND -	ISF
8414140	CURB & GUTTER	SPECIAL REVENUE FUND
856	STORM DRAIN SYSTEM	SPECIAL REVENUE FUND
857	DOMESTIC WASTEWATER	SPECIAL REVENUE FUND
660	SUCCESSOR AGENCY FUND - RDA	
662	SUCCESSOR AGENCY FUND - LMI	

ASSESSMENT DISTRICTS:

8834883	SIERRA VIEW	8884888	PARKSIDE ESTATES
8844884	HERITAGE PARK	8894889	SIERRA VISTA
8854885	INGOLDSBY	8904890	MAPLE VALLEY
8864886	SAMOA STREET	8914891	PELOUS RANCH
8874887	SWEETBRIER UNITS		

HOUSING AND COMMUNITY DEVELOPMENT:

7004700	CDBG REVOLVING LN FUND
7204720	HOME REVOLVING LN FUND
779	IMPOUND ACCOUNT

NOTE: All payments using the object code of 200: EXAMPLE XXX-200-XXX are Liability accounts for monies collected from other sources - i.e. payroll deductions, deposits, impounds, etc - and are not Expenses to City

CHECK#	CHECK DATE	VENDOR #	VENDOR	FUND	ACCOUNT	AMOUNT
82688	01/30/15	5344	99 PIPE LINE INC.	5524552	064002	$11,751.56
82689	01/30/15	5781	ACE HEATING & AIR	1014110	036008	$375.00
82690	01/30/15	400	AGRI-HOME	1014210	036007	$49.93
82691	01/30/15	1858	ALL PRO FIRE & SAFETY	4004400	023000	$411.80
82692	01/30/15	4908	AMERITAS LIFE INSUR	101	200260	$973.00
82692	01/30/15	4908	AMERITAS LIFE INSUR	101	200260	$2,843.12
82693	01/30/15	5289	ARAMARK UNIFORM SERV	1014120	022000	$30.17
82693	01/30/15	5289	ARAMARK UNIFORM SERV	1014130	022000	$30.17
82693	01/30/15	5289	ARAMARK UNIFORM SERV	1014210	022000	$30.17
82693	01/30/15	5289	ARAMARK UNIFORM SERV	5524552	022000	$30.17
82693	01/30/15	5289	ARAMARK UNIFORM SERV	5534553	022000	$30.17
82693	01/30/15	5289	ARAMARK UNIFORM SERV	5544554	022000	$30.17
82693	01/30/15	5289	ARAMARK UNIFORM SERV	5564556	022000	$30.17
82694	01/30/15	3428	AT&T MOBILITY	1014110	037000	$177.16
82694	01/30/15	3428	AT&T MOBILITY	1014120	033001	$47.54
82694	01/30/15	3428	AT&T MOBILITY	3004300	069111	$39.53
82695	01/30/15	5679	BARTLETT'S POOL SERV	4004400	022000	$63.98
82696	01/30/15	3797	BETSON IMPERIAL	3004300	069092	$111.07
82696	01/30/15	3797	BETSON IMPERIAL	3004300	069092	$391.05
82696	01/30/15	3797	BETSON IMPERIAL	3004300	069092	$760.21
82697	01/30/15	2857	BICKMORE & ASSOCIATES	1014090	031000	$6,800.00
82698	01/30/15	4135	BILL WALL'S DIRECT	1014110	036008	$192.50
82698	01/30/15	4135	BILL WALL'S DIRECT	1014110	036008	$401.32
82699	01/30/15	4778	BROWN ARMSTRONG	1014050	031009	$2,400.00
82700	01/30/15	051	BSK	5524552	022001	$120.00
82700	01/30/15	051	BSK	5524552	022001	$120.00
82700	01/30/15	051	BSK	5524552	022001	$120.00
82700	01/30/15	051	BSK	5524552	022001	$120.00
82700	01/30/15	051	BSK	5524552	022001	$150.00
82700	01/30/15	051	BSK	5524552	022001	$150.00
82700	01/30/15	051	BSK	5524552	022001	$170.00
82700	01/30/15	051	BSK	5524552	022001	$170.00
82700	01/30/15	051	BSK	5524552	022001	$200.00
82700	01/30/15	051	BSK	5524552	022001	$200.00
82700	01/30/15	051	BSK	5524552	022001	$200.00
82700	01/30/15	051	BSK	5524552	022001	$200.00
82701	01/30/15	1979	CALIFORNIA BUILDING	101	200258	$230.29
82682	01/22/15	5861	DEPT. OF PESTICIDE	1014210	038002	$190.00
82702	01/30/15	2872	CHIEF SUPPLY	1014110	024000	$147.39
82702	01/30/15	2872	CHIEF SUPPLY	1014110	024000	$19.93
82702	01/30/15	2872	CHIEF SUPPLY	1014110	024004	$85.69
82703	01/30/15	5832	CINTAS CORPORATION	1014120	022000	$196.52
82703	01/30/15	5832	CINTAS CORPORATION	1014130	022000	$196.52
82703	01/30/15	5832	CINTAS CORPORATION	1014210	022000	$196.52
82703	01/30/15	5832	CINTAS CORPORATION	3004300	069091	$488.47
82703	01/30/15	5832	CINTAS CORPORATION	3004300	069091	$816.08

CHECK#	CHECK DATE	VENDOR #	VENDOR	FUND	ACCOUNT	AMOUNT
82703	01/30/15	5832	CINTAS CORPORATION	3004300	069091	$839.61
82703	01/30/15	5832	CINTAS CORPORATION	3004300	069091	$844.36
82703	01/30/15	5832	CINTAS CORPORATION	5524552	022000	$196.52
82703	01/30/15	5832	CINTAS CORPORATION	5534553	022000	$196.52
82703	01/30/15	5832	CINTAS CORPORATION	5544554	022000	$196.52
82703	01/30/15	5832	CINTAS CORPORATION	5564556	022000	$196.55
82704	01/30/15	4887	CITY OF EXETER	1014130	022012	$54.38
82704	01/30/15	4887	CITY OF EXETER	1014210	022012	$54.38
82704	01/30/15	4887	CITY OF EXETER	1014120	022012	$54.38
82704	01/30/15	4887	CITY OF EXETER	2614160	022012	$54.42
82704	01/30/15	4887	CITY OF EXETER	5524552	022012	$54.38
82704	01/30/15	4887	CITY OF EXETER	5534553	022012	$54.38
82704	01/30/15	4887	CITY OF EXETER	5544554	022012	$54.38
82762	01/30/15	279	CITY OF PORTERVILLE	5534553	031007	$1,088.00
82762	01/30/15	279	CITY OF PORTERVILLE	5534553	031007	$1,599.00
82705	01/30/15	2903	CLEAN SOURCE	3004300	069091	$118.22
82706	01/30/15	2319	COMPUTER SYSTEMS	1014050	036008	$45.00
82707	01/30/15	5664	COPWARE, INC.	1014110	037004	$615.00
82685	01/27/15	075	CSJVRMA	101	200510	$62,933.00
82685	01/27/15	075	CSJVRMA	1014090	034000	$25,294.00
82685	01/27/15	075	CSJVRMA	1014090	034000	$4,161.00
82685	01/27/15	075	CSJVRMA	1014040	015006	$1,217.85
82685	01/27/15	075	CSJVRMA	1014050	015006	$1,217.85
82685	01/27/15	075	CSJVRMA	1014110	015006	$7,007.10
82685	01/27/15	075	CSJVRMA	1014120	015006	$4,871.40
82685	01/27/15	075	CSJVRMA	3004300	015006	$7,307.10
82685	01/27/15	075	CSJVRMA	4004400	015006	$787.14
82685	01/27/15	075	CSJVRMA	5524552	015006	$1,217.85
82685	01/27/15	075	CSJVRMA	5534553	015006	$730.71
82708	01/30/15	102	CULLIGAN	1014120	022000	$180.27
82708	01/30/15	102	CULLIGAN	1014120	022000	$7.75
82708	01/30/15	102	CULLIGAN	1014120	022000	$23.99
82708	01/30/15	102	CULLIGAN	1014120	022000	$63.44
82708	01/30/15	102	CULLIGAN	5524552	022000	-$245.39
82708	01/30/15	102	CULLIGAN	5524552	022000	-$240.25
82708	01/30/15	102	CULLIGAN	5524552	022000	$100.75
82708	01/30/15	102	CULLIGAN	5524552	022000	$54.25
82708	01/30/15	102	CULLIGAN	5524552	022000	$139.50
82708	01/30/15	102	CULLIGAN	5534553	037000	$16.69
82779	01/30/15	1463	DANNY SALINAS	1014010	037002	$50.00
82709	01/30/15	388	DENNIS KELLER/JAMES	5524552	031000	$617.84
82709	01/30/15	388	DENNIS KELLER/JAMES	5524552	031000	$408.29
82710	01/30/15	5863	DEPT OF INDUSTRIAL	3004300	069082	$160.00
82711	01/30/15	111	DEPT OF CONSERVATION	101	200340	$1,605.44
82711	01/30/15	111	DEPT OF CONSERVATION	101	200340	$62.80
82712	01/30/15	316	DEPT OF JUSTICE	1014110	039001	$386.00

CHECK#	CHECK DATE	VENDOR #	VENDOR	FUND	ACCOUNT	AMOUNT
82712	01/30/15	316	DEPT OF JUSTICE	1014110	066007	$35.00
82713	01/30/15	5599	DEROSA SALES	3004300	069116	$163.68
82714	01/30/15	3733	DIRECTV	3004300	069069	$58.66
82714	01/30/15	3733	DIRECTV	3004300	069069	$245.88
82715	01/30/15	5322	DISH NETWORK	4004400	055006	$161.69
82716	01/30/15	5596	DIVISON OF THE STATE	101	200212	$2,078.00
82717	01/30/15	119	DOUG DELEO WELDING	1014120	022015	$169.89
82717	01/30/15	119	DOUG DELEO WELDING	1014120	022000	$33.18
82717	01/30/15	119	DOUG DELEO WELDING	5534553	019000	$43.64
82717	01/30/15	119	DOUG DELEO WELDING	5534553	019000	$8.04
82717	01/30/15	119	DOUG DELEO WELDING	8834883	022012	$169.89
82717	01/30/15	119	DOUG DELEO WELDING	8914891	022012	$169.88
82718	01/30/15	633	ENTENMANN-ROVIN CO	1014110	024004	$150.05
82719	01/30/15	4460	EVANS FEED & LIVEST	1014110	031010	$80.01
82720	01/30/15	3409	FASTENAL	3004300	069092	$75.82
82720	01/30/15	3409	FASTENAL	4004400	023000	$701.99
82721	01/30/15	3461	FERGUSON ENTERPRISE	5524552	022000	$115.62
82722	01/30/15	5397	FRED C. GILBERT CO.	4004400	023000	$704.87
82723	01/30/15	3478	FRESNO PIPE & SUPPLY	5524552	036000	$966.45
82724	01/30/15	137	FRIANT WATER AUTHORITY	5524552	022010	$5.07
82724	01/30/15	137	FRIANT WATER AUTHORITY	5524552	022010	$1.98
82724	01/30/15	137	FRIANT WATER AUTHORITY	5524552	022010	$1,485.00
82726	01/30/15	148	GOMEZ AUTO & SMOG	1014130	022015	$683.07
82727	01/30/15	5647	GRISWOLD,LASSALLE,	1014060	031000	$275.00
82727	01/30/15	5647	GRISWOLD,LASSALLE,	1014060	031000	$1,040.65
82727	01/30/15	5647	GRISWOLD,LASSALLE,	1014060	031000	$61.00
82728	01/30/15	2975	HAJOCA CORPORATION	1014120	023000	$71.45
82728	01/30/15	2975	HAJOCA CORPORATION	3004300	069092	$1,957.49
82729	01/30/15	3576	HDS WHITE CAP CONST	1014120	023000	$133.88
82730	01/30/15	1391	HOME DEPOT	3004300	064000	$321.04
82730	01/30/15	1391	HOME DEPOT	3004300	064000	$428.05
82730	01/30/15	1391	HOME DEPOT	3004300	064000	$430.03
82731	01/30/15	5541	JACK DAVENPORT SWEE	2614160	023001	$3,000.00
82732	01/30/15	192	JAMES WINTON & ASSOC	5524552	031000	$25.00
82732	01/30/15	192	JAMES WINTON & ASSOC	6004130	064002	$7,423.75
82732	01/30/15	192	JAMES WINTON & ASSOC	6004130	064002	$425.00
82732	01/30/15	192	JAMES WINTON & ASSOC	6004130	064002	$965.00
82733	01/30/15	2601	JOHN HIBLER WEATHER	1014120	031000	$50.00
82734	01/30/15	5598	JOSE OLMOS	5524552	015018	$148.30
82735	01/30/15	4901	KEYS UPHOLSTERY	3004300	069092	$256.40
82737	01/30/15	2471	L.N. CURTIS & SONS	1014110	024000	$55.45
82738	01/30/15	5701	LAMAR COMPANIES	3004300	069084	$1,400.00
82738	01/30/15	5701	LAMAR COMPANIES	4004400	035000	$200.00
82739	01/30/15	214	LEAGUE OF CALIF CITIES	1014010	037005	$5,507.00
82740	01/30/15	1457	LESLIE'S POOL SUPPLY	5524552	022004	$49.30
82741	01/30/15	4028	LIFE FITNESS	3004300	069092	$374.68

CHECK#	CHECK DATE	VENDOR #	VENDOR	FUND	ACCOUNT	AMOUNT
82742	01/30/15	5788	LINCOLN AQUATICS	3004300	095002	$566.46
82743	01/30/15	4067	LINCOLN NAT'L INSUR	101	200260	$502.67
82744	01/30/15	4427	LINDSAY AUTO PARTS	1014210	025000	$13.65
82745	01/30/15	218	LINDSAY EQUIPMENT	1014120	023000	$37.00
82745	01/30/15	218	LINDSAY EQUIPMENT	3004300	069115	$18.36
82745	01/30/15	218	LINDSAY EQUIPMENT	3004300	069115	$33.36
82745	01/30/15	218	LINDSAY EQUIPMENT	3004300	069115	$46.19
82745	01/30/15	218	LINDSAY EQUIPMENT	3004300	069115	$35.81
82745	01/30/15	218	LINDSAY EQUIPMENT	3004300	069115	$84.00
82745	01/30/15	218	LINDSAY EQUIPMENT	5534553	037000	$72.00
82746	01/30/15	227	LIVICK TRUCK & BUS	1014110	022015	$456.51
82747	01/30/15	1442	LLOYD ANDERSON ELEC	1014210	036007	$178.35
82747	01/30/15	1442	LLOYD ANDERSON ELEC	2614160	032004	$638.00
82747	01/30/15	1442	LLOYD ANDERSON ELEC	2614160	032004	$112.50
82747	01/30/15	1442	LLOYD ANDERSON ELEC	5534553	022008	$360.00
82747	01/30/15	1442	LLOYD ANDERSON ELEC	5534553	022008	$306.99
82747	01/30/15	1442	LLOYD ANDERSON ELEC	5534553	022008	$216.00
82747	01/30/15	1442	LLOYD ANDERSON ELEC	5534553	022008	$180.65
82747	01/30/15	1442	LLOYD ANDERSON ELEC	5534553	022008	$184.32
82747	01/30/15	1442	LLOYD ANDERSON ELEC	5534553	022008	$180.15
82747	01/30/15	1442	LLOYD ANDERSON ELEC	5534553	022008	$72.00
82747	01/30/15	1442	LLOYD ANDERSON ELEC	5534553	022008	$1,992.31
82748	01/30/15	5751	MAC GENERAL ENGINEERING	6004130	064020	$86,098.32
82749	01/30/15	5864	MAPFRE INSURANCE CO	779	200351	$690.00
82750	01/30/15	234	MARTINS TIRE & AUTO	1014210	022015	$14.00
82750	01/30/15	234	MARTINS TIRE & AUTO	1014210	022015	$46.21
82751	01/30/15	509	MEDALLION SUPPLY	3004300	069093	$243.00
82751	01/30/15	509	MEDALLION SUPPLY	3004300	069093	$1,161.31
82752	01/30/15	4903	MID-CENTURY INSURANCE	779	200351	$547.59
82753	01/30/15	2313	MIDTOWN SPORTS, INC	3004300	055002	$386.56
82754	01/30/15	3649	MUNCIE NOVELTY	3004300	069090	$1,912.66
82755	01/30/15	5243	NATIONAL GYM SUPPLY	3004300	069092	$433.95
82756	01/30/15	4365	NEYBA AMEZCUA	5524552	015018	$105.67
82757	01/30/15	5625	NGLIC	101	200260	$634.78
82684	01/23/15	2306	NICK NAVE	1014110	022015	$240.00
82758	01/30/15	1565	OACYS.COM INC	1014040	033001	$106.24
82758	01/30/15	1565	OACYS.COM INC	1014110	037000	$106.24
82758	01/30/15	1565	OACYS.COM INC	1014110	037000	$35.00
82758	01/30/15	1565	OACYS.COM INC	1014050	033001	$106.24
82758	01/30/15	1565	OACYS.COM INC	3004300	069069	$199.94
82758	01/30/15	1565	OACYS.COM INC	4004400	033001	$189.95
82758	01/30/15	1565	OACYS.COM INC	4004400	033001	$106.24
82759	01/30/15	4204	ORKIN PEST CONTROL	4004400	069091	$196.14
82736	01/30/15	1426	PAM KIMBALL	1014010	037012	$50.00
82760	01/30/15	3750	PEPSI-COLA	3004300	069116	$2,338.21
82760	01/30/15	3750	PEPSI-COLA	3004300	069116	$565.65

CHECK#	CHECK DATE	VENDOR #	VENDOR	FUND	ACCOUNT	AMOUNT
82760	01/30/15	3750	PEPSI-COLA	3004300	069116	$835.85
82761	01/30/15	3673	PHOENIX FIRE PROTECTION	3004300	069091	$155.20
82683	01/22/15	5860	PORTERVILLE EAC	1014090	037000	$100.00
82763	01/30/15	276	PORTERVILLE RECORDER	1014070	035000	$108.70
82763	01/30/15	276	PORTERVILLE RECORDER	1014070	035000	$158.33
82763	01/30/15	276	PORTERVILLE RECORDER	1014070	035000	$249.51
82763	01/30/15	276	PORTERVILLE RECORDER	4004400	035000	$250.00
82764	01/30/15	2869	PORTERVILLE SHELTER	1014130	023000	$216.24
82764	01/30/15	2869	PORTERVILLE SHELTER	1014210	022000	$455.00
82765	01/30/15	1849	PORTERVILLE VALLEY	1014120	031000	$50.00
82765	01/30/15	1849	PORTERVILLE VALLEY	3004300	069088	$70.00
82766	01/30/15	5713	PPG ARCHITECTURAL	1014120	023000	$274.50
82766	01/30/15	5713	PPG ARCHITECTURAL	3004300	069093	$106.12
82766	01/30/15	5713	PPG ARCHITECTURAL	3004300	069093	$326.52
82767	01/30/15	5602	PROFESSIONAL PRINT	1014120	022000	$980.33
82768	01/30/15	4618	PROVOST & PRITCHARD	5514552	038004	$1,264.25
82768	01/30/15	4618	PROVOST & PRITCHARD	5534553	064001	$1,000.00
82769	01/30/15	5684	QUIK-ROOTER	5534553	036001	$337.50
82769	01/30/15	5684	QUIK-ROOTER	5534553	036001	$225.00
82769	01/30/15	5684	QUIK-ROOTER	5534553	036001	$225.00
82769	01/30/15	5684	QUIK-ROOTER	5534553	036001	$1,575.00
82769	01/30/15	5684	QUIK-ROOTER	5534553	036001	$1,237.50
82769	01/30/15	5684	QUIK-ROOTER	5534553	036001	$450.00
82769	01/30/15	5684	QUIK-ROOTER	5534553	036001	$500.00
82769	01/30/15	5684	QUIK-ROOTER	5534553	036001	$2,587.50
82770	01/30/15	285	QUILL CORPORATION	1014120	021000	$159.87
82770	01/30/15	285	QUILL CORPORATION	1014110	022000	$207.32
82770	01/30/15	285	QUILL CORPORATION	1014110	021000	$234.09
82770	01/30/15	285	QUILL CORPORATION	1014110	022000	$323.95
82770	01/30/15	285	QUILL CORPORATION	1014120	021000	$6.79
82770	01/30/15	285	QUILL CORPORATION	1014070	021000	$11.64
82770	01/30/15	285	QUILL CORPORATION	1014110	021000	$34.25
82770	01/30/15	285	QUILL CORPORATION	1014070	021000	$48.55
82770	01/30/15	285	QUILL CORPORATION	1014120	021000	$56.81
82770	01/30/15	285	QUILL CORPORATION	1014110	036008	$63.17
82770	01/30/15	285	QUILL CORPORATION	3004300	069101	$42.91
82770	01/30/15	285	QUILL CORPORATION	3004300	069101	$171.64
82770	01/30/15	285	QUILL CORPORATION	3004300	069101	$409.84
82771	01/30/15	5411	RADIOSHACK CORP	3004300	069092	$36.84
82772	01/30/15	4452	RAMONA PADILLA	1014010	037002	$75.00
82773	01/30/15	5356	RAY MORGAN COMPANY	1014070	036008	$14.56
82773	01/30/15	5356	RAY MORGAN COMPANY	1014120	036008	$20.58
82773	01/30/15	5356	RAY MORGAN COMPANY	1014050	036008	$54.48
82773	01/30/15	5356	RAY MORGAN COMPANY	3004300	069113	$240.71
82774	01/30/15	3840	RICHARD RIOS	1014210	030001	$1,600.00
82775	01/30/15	3832	RICK'S VENDING	3004300	069103	$200.00

CHECK#	CHECK DATE	VENDOR #	VENDOR	FUND	ACCOUNT	AMOUNT
82775	01/30/15	3832	RICK'S VENDING	3004300	069090	$1,294.98
82777	01/30/15	5511	ROSAENA SANCHEZ	1014010	037002	$50.00
82780	01/30/15	298	SAVE MART SUPERMARKET	3004300	069116	$11.84
82780	01/30/15	298	SAVE MART SUPERMARKET	3004300	069103	$25.66
82780	01/30/15	298	SAVE MART SUPERMARKET	3004300	069116	$16.51
82780	01/30/15	298	SAVE MART SUPERMARKET	3004300	069103	$69.92
82780	01/30/15	298	SAVE MART SUPERMARKET	3004300	069103	$160.81
82780	01/30/15	298	SAVE MART SUPERMARKET	3004300	069103	$244.71
82780	01/30/15	298	SAVE MART SUPERMARKET	3004300	069103	$191.88
82780	01/30/15	298	SAVE MART SUPERMARKET	3004300	069103	$3.59
82781	01/30/15	2168	SELF-HELP ENTERPRISES	1014050	031000	$1,111.00
82781	01/30/15	2168	SELF-HELP ENTERPRISES	1014050	031000	$2,168.00
82782	01/30/15	2168	SELF-HELP ENTERPRISES	1014050	031000	$1,111.00
82782	01/30/15	2168	SELF-HELP ENTERPRISES	1014050	031000	$2,160.00
82781	01/30/15	2168	SELF-HELP ENTERPRISES	7204720	031000	$2,168.00
82782	01/30/15	2168	SELF-HELP ENTERPRISES	7204720	031000	$2,160.00
82781	01/30/15	2168	SELF-HELP ENTERPRISES	7504750	096013	$3,400.00
82781	01/30/15	2168	SELF-HELP ENTERPRISES	7504750	096013	$56,600.00
82782	01/30/15	2168	SELF-HELP ENTERPRISES	7504750	096013	$3,400.00
82782	01/30/15	2168	SELF-HELP ENTERPRISES	7504750	096013	$3,400.00
82782	01/30/15	2168	SELF-HELP ENTERPRISES	7504750	096013	$3,400.00
82782	01/30/15	2168	SELF-HELP ENTERPRISES	7504750	096013	$24,000.00
82782	01/30/15	2168	SELF-HELP ENTERPRISES	7504750	096013	$29,175.19
82782	01/30/15	2168	SELF-HELP ENTERPRISES	7504750	096013	$40,000.00
82781	01/30/15	2168	SELF-HELP ENTERPRISES	7814781	096013	$3,400.00
82783	01/30/15	5314	SHRED-IT USA-FRESNO	1014090	037000	$57.46
82784	01/30/15	2133	SHROPSHIRE CONTAINER	3004300	069113	$100.00
82785	01/30/15	5624	SIERRA SANITATION,	1014210	037014	$162.00
82786	01/30/15	1776	SMART & FINAL	3004300	069103	$37.49
82786	01/30/15	1776	SMART & FINAL	3004300	069116	$798.59
82786	01/30/15	1776	SMART & FINAL	4004400	069116	$151.71
82787	01/30/15	310	SOUTHERN CA. EDISON	1014210	032001	$29.65
82787	01/30/15	310	SOUTHERN CA. EDISON	1014120	032001	$32.44
82787	01/30/15	310	SOUTHERN CA. EDISON	1014210	032001	$33.70
82787	01/30/15	310	SOUTHERN CA. EDISON	1014210	032001	$34.42
82787	01/30/15	310	SOUTHERN CA. EDISON	2614160	032004	$275.93
82787	01/30/15	310	SOUTHERN CA. EDISON	2614160	032004	$177.08
82787	01/30/15	310	SOUTHERN CA. EDISON	2614160	032004	$118.09
82787	01/30/15	310	SOUTHERN CA. EDISON	2614160	032004	$112.22
82787	01/30/15	310	SOUTHERN CA. EDISON	2614160	032004	$55.06
82787	01/30/15	310	SOUTHERN CA. EDISON	3004300	069108	$34.34
82787	01/30/15	310	SOUTHERN CA. EDISON	3004300	069108	$14,503.18
82787	01/30/15	310	SOUTHERN CA. EDISON	5534553	032001	$35.71
82787	01/30/15	310	SOUTHERN CA. EDISON	8914891	032001	$26.79
82787	01/30/15	310	SOUTHERN CA. EDISON	8914891	032001	$83.83
82788	01/30/15	5286	SPECTRUM SPORTS INT	3004300	069092	$2,700.00

CHECK#	CHECK DATE	VENDOR #	VENDOR	FUND	ACCOUNT	AMOUNT
82789	01/30/15	5490	STEVEN A MECUM	1014010	037002	$50.00
82790	01/30/15	5267	SUNGARD PUBLIC SECT	1014050	037000	$605.00
82790	01/30/15	5267	SUNGARD PUBLIC SECT	1014120	037000	$605.00
82790	01/30/15	5267	SUNGARD PUBLIC SECT	3004300	037000	$605.00
82790	01/30/15	5267	SUNGARD PUBLIC SECT	5524552	037000	$605.00
82790	01/30/15	5267	SUNGARD PUBLIC SECT	5534553	019000	$605.00
82791	01/30/15	5646	SPECIALIZED UTILITY SERV	5524552	031000	$2,050.00
82791	01/30/15	5646	SPECIALIZED UTILITY SERV	5534553	031000	$2,050.00
82680	01/22/15	5859	SWIFT FIRE PROTECTION	3004300	069093	$1,008.25
82792	01/30/15	1183	STATE WATER RESOURCES BD	5534553	031006	$14,929.00
82792	01/30/15	1183	STATE WATER RESOURCES BD	5534553	031006	$2,088.00
82793	01/30/15	3682	SYSCO OF CENTRAL CA	3004300	069116	$1,282.00
82793	01/30/15	3682	SYSCO OF CENTRAL CA	3004300	069116	$1,282.75
82794	01/30/15	1921	TEL STAR INSTRUMENT	5534553	031000	$1,130.00
82681	01/22/15	5755	TELEPACIFIC COMM	1014130	033001	$452.50
82681	01/22/15	5755	TELEPACIFIC COMM	1014210	033001	$452.49
82681	01/22/15	5755	TELEPACIFIC COMM	1014120	033001	$452.49
82681	01/22/15	5755	TELEPACIFIC COMM	5524552	033001	$452.49
82681	01/22/15	5755	TELEPACIFIC COMM	5534553	033001	$452.49
82681	01/22/15	5755	TELEPACIFIC COMM	5544554	033001	$452.49
82725	01/30/15	144	THE GAS COMPANY	3004300	069109	$35.54
82725	01/30/15	144	THE GAS COMPANY	3004300	069109	$1,268.46
82725	01/30/15	144	THE GAS COMPANY	4004400	032006	$370.17
82795	01/30/15	3396	THYSSENKRUPP ELEVATOR	4004400	032006	$273.32
82796	01/30/15	4922	TRAVELERS INDEMNITY	779	200351	$683.00
82797	01/30/15	4849	U.S. BANCORP EQUIP	1014110	036008	$906.01
82798	01/30/15	3904	UK ADVERTISING INC.	3004300	069084	$100.00
82798	01/30/15	3904	UK ADVERTISING INC.	3004300	069084	$100.00
82799	01/30/15	5747	UNITED STAFFING	1014210	022000	$232.75
82799	01/30/15	5747	UNITED STAFFING	1014130	022000	$232.75
82799	01/30/15	5747	UNITED STAFFING	1014210	022000	$245.00
82799	01/30/15	5747	UNITED STAFFING	1014130	022000	$245.00
82799	01/30/15	5747	UNITED STAFFING	1014210	022000	$245.00
82799	01/30/15	5747	UNITED STAFFING	1014130	022000	$245.00
82799	01/30/15	5747	UNITED STAFFING	8834883	022000	$53.20
82799	01/30/15	5747	UNITED STAFFING	8834883	022000	$56.00
82799	01/30/15	5747	UNITED STAFFING	8834883	022000	$56.00
82799	01/30/15	5747	UNITED STAFFING	8844884	022000	$33.25
82799	01/30/15	5747	UNITED STAFFING	8844884	022000	$35.00
82799	01/30/15	5747	UNITED STAFFING	8844884	022000	$35.00
82799	01/30/15	5747	UNITED STAFFING	8864886	022000	$7.00
82799	01/30/15	5747	UNITED STAFFING	8864886	022000	$7.00
82799	01/30/15	5747	UNITED STAFFING	8864886	022000	$6.65
82799	01/30/15	5747	UNITED STAFFING	8874887	022000	$26.60
82799	01/30/15	5747	UNITED STAFFING	8874887	022000	$28.00
82799	01/30/15	5747	UNITED STAFFING	8874887	022000	$28.00

CHECK#	CHECK DATE	VENDOR #	VENDOR	FUND	ACCOUNT	AMOUNT
82799	01/30/15	5747	UNITED STAFFING	8884888	022000	$39.90
82799	01/30/15	5747	UNITED STAFFING	8884888	022000	$42.00
82799	01/30/15	5747	UNITED STAFFING	8884888	022000	$42.00
82799	01/30/15	5747	UNITED STAFFING	8914891	022000	$42.00
82799	01/30/15	5747	UNITED STAFFING	8914891	022000	$42.00
82799	01/30/15	5747	UNITED STAFFING	8914891	022000	$39.90
82800	01/30/15	5413	UNIVAR USA INC	5524552	022004	$755.30
82801	01/30/15	356	USA BLUEBOOK	4004400	023000	$169.75
82801	01/30/15	356	USA BLUEBOOK	4004400	023000	$50.16
82803	01/30/15	4074	VALLEY YELLOW PAGES	4004400	035000	$121.45
82679	01/22/15	3402	VANESSA DURAN	1014110	037008	$172.00
82804	01/30/15	1010	VERIZON CALIFORNIA	1014110	033001	$2,507.47
82804	01/30/15	1010	VERIZON CALIFORNIA	1014120	033001	-$33.10
82804	01/30/15	1010	VERIZON CALIFORNIA	1014120	033001	$84.05
82804	01/30/15	1010	VERIZON CALIFORNIA	3004300	069111	$357.82
82804	01/30/15	1010	VERIZON CALIFORNIA	5524552	033001	$328.01
82804	01/30/15	1010	VERIZON CALIFORNIA	5534553	033001	$282.47
82686	01/28/15	1604	VISA	1014090	037000	$2.00
82686	01/28/15	1604	VISA	1014110	037000	$29.17
82686	01/28/15	1604	VISA	1014110	037000	$40.49
82686	01/28/15	1604	VISA	1014090	037000	$53.77
82686	01/28/15	1604	VISA	1014050	024000	$53.80
82686	01/28/15	1604	VISA	1014090	037000	$25.98
82686	01/28/15	1604	VISA	1014090	037000	$59.52
82686	01/28/15	1604	VISA	1014090	037000	$30.27
82686	01/28/15	1604	VISA	1014090	037000	$269.42
82686	01/28/15	1604	VISA	1014120	037000	$52.83
82686	01/28/15	1604	VISA	1014120	037000	$7.56
82686	01/28/15	1604	VISA	1014090	037000	$13.88
82686	01/28/15	1604	VISA	1014110	037008	$175.38
82686	01/28/15	1604	VISA	1014070	021000	$15.99
82686	01/28/15	1604	VISA	3004300	069113	$30.00
82686	01/28/15	1604	VISA	5524552	023000	$9.99
82686	01/28/15	1604	VISA	5524552	037000	$276.78
82686	01/28/15	1604	VISA	6004180	065000	$45.68
82805	01/30/15	3645	VISALIA UNIFIED SCH	3004300	055010	$176.29
82806	01/30/15	368	VOLLMER EXCAVATION,	1014120	022000	$216.00
82806	01/30/15	368	VOLLMER EXCAVATION,	1014130	023000	$590.00
82806	01/30/15	368	VOLLMER EXCAVATION,	5524552	023000	$590.00
						$556,652.21

Treasurer's Report

JANUARY 2015

Cash Balances Classified by Depository

	GL ACT#	TYPE	Balance	Current Annual Yield	Interest Earned This Period
Petty Cash/Cash Register Funds	100-102	RES	$2,628.00	N/A	
Asset Forfeiture CD - BOTS	100-110	INV-RES	$54,084.52	0.43	13.78
Bank Of Sierra - Payroll	100-106	GEN	$91,510.63	N/A	
Bank Of Sierra - AP/Operating	100-100	GEN	$601,646.64	N/A	
Bank OF Sierra - McDermont	100-500	GEN	$11,442.47	N/A	
Bank of Sierra - 90 Day Investment CD	100-117	INV-RES	$637,387.06	0.45	516.00
Bank Of Sierra - Impound Account	100-120	RES	$30,874.99	0.00	
Bank Of Sierra - WWTP Project	100-553	RES	$50,874.82	0.00	
Bank Of Sierra - Water Project	100-552	RES	$20,365.33	0.00	
LAIF Savings: City	100-103	INV-RES	$300,644.58	0.26	14.70
Total Cash Balances @ January 31, 2015			**$1,801,459.04**		544.48

January 2015 Accounts Payable	**$887,027**
JAN Payroll & Benefits 1/09/2015	**$247,077**
JAN Payroll & Benefits 1/23/2015	**$258,574**
JAN 2015 Total Expenditures	**$1,392,678**

JAN DEBT SERVICE:	**-65,059.16**
TCTA DEC14 Quarterly P&I	**-18,316.30**
USDA LN#97-13 Wellness Center Intere	**-46,742.86**

Compliance with Investment Policy

Invested Funds
$992,116.16

As of January 31, 2015, the investments were in compliance with the requirements of the City's investment policy. This report reflects all cash and investments of the City of Lindsay (*excluding bond reserves*). There are sufficient funds to meet the City's expenditure requirements for the following month.

Respecfully submitted,

GEN=GENERAL UNRESTRICTED
RES=RESTRICTED ACTIVITY
INV=INVESTMENT

Tamara Laken
Finance Director/City Treasurer

AGENDA ITEM

Date: February 10, 2015
To: Honorable Mayor Ramona Padilla and Esteemed Council
From: Tamara Laken, Director of Finance
Re: Revised Salary Matrix for FY14-15

ACTION:

- Public Hearing
- Ordinance
- **Consent Calendar**
- Action Item
- Report Only

Background:

Staff met with auditors from the California Public Employees Retirement System (CalPERS) a few weeks back to review records, policies, and procedures relative to employee retirement reporting. One of the items they instructed us to do was present the salary matrix for approval upon any revision, such as a mid-year COLA increase. They further instructed staff that every matrix must have a salary designated for each authorized position, state what the pay period is, and clearly denote the revision date. Per the adoption of the MISC MOU, the salary schedule for all miscellaneous employees did increase by 2.5% effective January 1, 2015. The stated range for the LPOA bargaining unit has also changed as the original matrix, adopted with the budget, included a COLA that we were anticipating would be passed within the first few months of the FY14-15 budget. At this time, we are still at impasse with that bargaining unit and have therefore corrected the matrix to show the actual current rates sans the anticipated increase. We have separated the salary for the City Manager and Chief of Police as instructed by the CalPERS auditors – this does not change the payment arrangement with the current Chief of Police/City Manager, nor lock council into a rate for a future City Manager as those rates are negotiated by council and set by contract, this merely puts the City in compliance with CalPERS directives.

Attachments:

Employee Classification and Salary Schedule revised 1-27-2015

Recommendation:

Approve the revised Employee Classification and Salary Schedule

Action Required:

Approve the revised Employee Classification and Salary Schedule via consent calendar.

Classification & Monthly Salary Schedule

07/01/2014 - 06/30/2015

Classification	***Range***						
	1	2	3	4	5	6	7
Team Member I	1,599	1,679	1,763	1,851	1,944	2,041	2,143
Finance Clerk	1,827	1,918	2,014	2,114	2,220	2,331	2,448
Team Member II	2,051	2,154	2,261	2,374	2,493	2,618	2,749
Secretary 1	2,064	2,168	2,276	2,390	2,509	2,635	2,766
Maintenance	2,159	2,267	2,380	2,499	2,624	2,755	2,893
Account Clerk I	2,159	2,267	2,380	2,499	2,624	2,755	2,893
Account Clerk II	2,265	2,379	2,497	2,622	2,753	2,891	3,036
Recreation Coordinator	2,331	2,447	2,570	2,698	2,833	2,975	3,124
Administrative Secretary	2,461	2,584	2,713	2,849	2,991	3,141	3,298
Dispatcher	2,379	2,498	2,623	2,754	2,892	3,036	3,188
Com. Dev. Specialist I	2,391	2,511	2,636	2,768	2,907	3,052	3,205
Maintenance, Senior I	2,391	2,511	2,636	2,768	2,907	3,052	3,205
Wastewater Treat. Plant Oper. II	2,456	2,579	2,708	2,843	2,985	3,134	3,291
Com. Dev. Specialist II	2,583	2,712	2,848	2,990	3,140	3,297	3,461
Team Member III	2,885	3,030	3,181	3,340	3,507	3,683	3,867
Senior Mechanic	2,917	3,063	3,216	3,377	3,546	3,723	3,909
Maintenance Senior II	3,051	3,204	3,364	3,532	3,709	3,894	4,089
Foreman/Crew Foreman	2,510	2,636	2,768	2,906	3,051	3,204	3,364
Account Clerk III	3,067	3,220	3,381	3,550	3,728	3,914	4,110
Code Enf/Evidence/Animal Control	3,590	3,769	3,957	4,155	4,363	4,581	4,810
Public Safety Officer	3,565	3,743	3,930	4,127	4,333	4,550	4,777
Maintenance Senior III	3,819	4,010	4,211	4,421	4,642	4,874	5,118
City Planner Assistant	3,838	4,029	4,231	4,443	4,665	4,898	5,143
Associate Engineer	4,441	4,663	4,897	5,141	5,398	5,668	5,952
Public Safety Sergeant	4,347	4,564	4,793	5,032	5,284	5,548	5,825

Department Heads

Wellness Center Director	4,200	
Planning & Economic Development Director	5,687	
McDermont Field House Director	6,500	
Finance Director	7,620	
City Services Director	7,998	
Director of Public Safety	11,582	
City Manager	12,000	(Vacant)
		*Contracted P/T Professinal Services for FY15

Exempt & Supervisorial Staff

Assistant City Manager	3,916	(Vacant) *Appropriations moved to Professional Services for FY15
Management Analyst	3126	
Department Manager	3782	
Administrative Supervisor	3820	
Human Resource Manager	4021	
Administrative Assistant	4271	
Public Safety Lieutenant	7671	

NOTES:

All employees in the Department Head and Exempt Categories are considered "At-Will" employees that are not covered by any Bargaining Unit MOU and are not eligible for any benefits listed therein - each employee is contracted separately. Admin & Exempt Staff due COLA July 1, 2013, per contract, are denied any increase for another year; WC Director increased 5%

** 2.5% COLA increase per MOU Article 31, Page 9 for Misc. Employees

Revised 01.27.15

PAID BI-WEEKLY

6

CONSENT CALENDAR ITEM

Date: February 10, 2015
To: Honorable Mayor Ramona Padilla and Esteemed Council
From: Tamara Laken, Director of Finance
Re: TCAG Quarterly Report – PERIOD: OCT - DEC 2014

ACTION:

- Public Hearing
- Ordinance
- **Consent Calendar**
- Action Item
- Report Only

The attached report has been submitted to Tulare County Association of Governments in accordance with reporting requirements.

Recommendation:

Review Report

Action Required:

Accept via Consent Calendar

Attachments:

- TCAG 2nd-QTR FY15 (OCT-DEC 2014) Activity Report

Tulare County Association Of Goverments
Quarterly Reporting
Measure R Programs

Agency: Lindsay **Quarter:** FY 2015-2nd QTR OCT-DEC 2014

Local Programs

Measure R Expenditure Allocation	Project	Description	Limits	Start Date	Completion Date	Amount Spent this Quarter
Quarterly Allocation $66,143.63	Tulare Road Project	Debt Service per USDA Loan P&I Payment Due Date 11/12/2014 Amount of Payment: $93,994				$ 93,994.00
					Total	**$ 93,994.00**

Tulare County Association Of Goverments
Quarterly Reporting
Measure R Programs

Agency: Lindsay **Quarter:** FY 2015-1st QTR

Regional Projects

Measure R Expenditure Allocation	Project	Description	Limits	Start Date	Completion Date	Amount Spent this Quarter
$ -		No Regional Projects to Report				
					Total	**$ -**

Tulare County Association Of Goverments
Quarterly Reporting
Measure R Programs

Agency: Lindsay **Quarter:** FY 2015-1st QTR

Transit

Measure R Expenditure Allocation	Project	Description	Limits	Start Date	Completion Date	Amount Spent this Quarter
		City contracts with County for Transit Service			N/A N/A N/A	
					Total	**$ -**

Tulare County Association Of Goverments
Quarterly Reporting
Measure R Programs

Agency: Lindsay **Quarter:** FY 2015-2nd QTR OCT-DEC 2014

Bike/Environmental

Measure R Expenditure Allocation	Project	Description	Limits	Start Date	Completion Date	Amount Spent this Quarter
$25,000	Sequoia & Hickory	Planning for Bike & Pedestrian Pathway for Sequoia & Hickory to improve access to Roosevelt School	25,000	10/1/2014		$ 10,790.74
					Total	**$ 10,790.74**

City of Lindsay

Supplemental for Quarter ended 12-31-2014

Projects Update

Regional Projects Update

1. None to report

Bike/Ped/Environmental

1. Pedestrian Pathways Program, Initial Study. MR Bike/Pedestrian funds.
    a. Identified location of pedestrian connection shortcoming; Roosevelt School located at the northeast corner of Sequoia Avenue and Hickory Street.
    b. Developed phased projects to expand the pedestrian and bicycle network to the identified location.
    c. Developed cost estimates for each project phase.
    d. Completed Environmental document for projects (Negative Declaration).
    e. Identified funding source for project phases (Measure R bike/ped funds)
    f. Initial study completed, November 2014.

Date: February 10, 2015
To: Honorable Mayor Ramona Padilla and Esteemed Council
From: Tamara Laken, Director of Finance
Re: Contract for Housing Grant Administration and Implementation

ACTION:

- o Public Hearing
- o Ordinance
- o **Consent Calendar**
- o Action Item
- o Report Only

As you know the City of Lindsay had been directed by City Council to solicit proposals for Grant Administration and Implementation.

One bid was received from Self Help Enterprises by the submittal deadline. In following procedures from HCD, the city requested sole-source approval from the HOME and CDBG programs.

We have received approval from both and are moving forward with entering an agreement with SHE and having the City Manager execute said contract.

Thank you.

Action Required:

None

Attachment:

Agreement for Services

City of Lindsay
Grant Writing, Housing Programs Administration and Implementation
AGREEMENT FOR SERVICES
with Self-Help Enterprises

THIS AGREEMENT is made and entered into this 11th day of January, 2015, by and between the City of Lindsay, a political subdivision of the State of California, hereinafter referred to as "CITY," and Self-Help Enterprises, a California nonprofit corporation, hereinafter referred to as "SHE," on the terms, conditions and provisions hereinafter set forth.

WHEREAS, CITY intends to apply for grants from the Federal and State government most of which are administered by the State of California Department of Housing and Community Development, hereinafter called "HCD," such as the CalHome Program, the Community Development Block Grant ("CDBG") Program, and the Home Investment Partnerships (HOME) Program. All said grants that are funded shall be hereinafter referred to as "PROJECT", to assist low, moderate or middle income residents with housing services; and

WHEREAS, SHE was incorporated for the purpose of promoting better living conditions for low income persons through the development and purchase of new housing, community facilities, and repair and rehabilitation of existing housing; and

WHEREAS, SHE has the expertise and staff to prepare program applications and administer HCD programs; and

WHEREAS, SHE met the requirements as outlined by HCD and CITY procurement requirements, and was selected to be the contractor by CITY for housing PROJECTS.

THEREFORE, it is hereby agreed as follows:

1. SHE RESPONSIBILITY – GRANT WRITING/APPLICATION PREPARATION: SHE shall prepare such applications as the CITY may request up to the maximum funding amount allowed as set forth in Notices of Funding Availability and the requirements of CITY.

2. SHE RESPONSIBILITY – HOUSING ACTIVITY IMPLEMENTATION: SHE shall assist households/housing units in PROJECT area in accordance with PROJECT guidelines and goals, as adopted by CITY, through the following activities:

   a. Applicant Selection:

      (1) Promote services to ensure community awareness and encourage participation of eligible applicants;
      (2) Determine eligibility of applicants; and
      (3) Provide homebuyer education for qualified applicants in accordance with PROJECT guidelines.

b. Loan/Grant Packaging:

(1) Review loan and/or grant applications as submitted;
(2) Inspect the prospective units and determine eligibility and acceptability of properties selected by applicants;
(3) Prepare loan and/or grant documents on qualified applicants;
(4) Submit completed loan and/or grant document package to CITY for review and approval in conformance with PROJECT guidelines;
(5) Prepare all loan closing documents and ensure proper closing; and
(6) Transfer original participant files to CITY, or contracted loan portfolio manager, upon completion and closeout of each loan and/or grant package.

c. Construction Monitoring:
(1) Inspect applicants' homes, recommend type of work to be performed, and prepare work write-ups and necessary plans to accomplish the identified scope of work;
(2) Assist owners to obtain bids from, and select, qualified contractors to perform CITY-authorized rehabilitation work;
(3) Provide technical support and assistance to owners who will perform the actual rehabilitation work themselves;
(4) Monitor the work of authorized contractors and subcontractors and verify completion of work prior to payment; and
(5) Assist owners to secure labor and material repairs from contractor responsible for construction defects for one year from date of final approval by the City Building Department.

3. <u>SHE RESPONSIBILITY – ADMINISTRATION</u>:

a. Prepare and submit the general grant set-up package to the appropriate agency (guideline preparation, environmental review, and submittal of other required documents as required by the funding source);
b. Provide CITY with necessary technical assistance to implement and administer all State Grant Agreements;
c. Provide reports to CITY on progress and performance of grant budgets included in State Grant Agreements and/or HCD approved amendments, upon request;
d. Prepare and submit to CITY all required reports and funds requests as outlined in State Grant Agreements;
e. Prepare and submit amendments to the State Grant Agreements as needed;
f. Prepare and maintain public information binders, as required; and
g. Prepare and retain all pertinent records and documents sufficient to reflect all charges submitted by SHE under the terms of this Agreement. Retain such records and documents for a period of five (5) years from the date of final payment.

4. CITY RESPONSIBILITY: CITY shall be responsible to:

a. Review and approve loan document packages for applicants who are determined by SHE to be qualified for assistance in accordance with PROJECT guidelines in effect at the time of document approval;
b. Service loans upon completion of PROJECT; and
c. Verify all records and documents, and monitor and evaluate the activities of SHE to ensure compliance with the terms of this Agreement.

5. COMPENSATION: CITY shall pay SHE for services provided, as follows:

a. Grant application preparation: a fee to be negotiated with CITY prior to preparation of the application, based on application type and number of activities.
b. General Administration Budget: full service administration of a CDBG grant is $37,500 for a $500,000 housing activities budget, for HOME is $17,500 for a $700,000 grant, and for CalHome is $20,000 for a $1,000,000 grant.
c. Activity Delivery Budget (Implementation) – up to maximum available, as permitted by the funding source and program activity.
d. Loans and Grants: total amount of loans and grants shall equal the balance of the contract awarded after deducting the amounts for services shown in 5 b. and c. above. Any additional funds identified as leverage in the Grant Agreement shall be expended for activities indicated by the application, including activity delivery and loans and grants to participants. Loan and grant funds shall be disbursed by SHE on behalf of the CITY and are not considered compensation to SHE.
e. Additional Services and Compensation: At the direction of CITY, SHE may expend non-grant funds (Program Income, Miscellaneous Revenue) for eligible housing activities as directed by CITY, subject to activity delivery and administrative charges not to exceed the allowable percentages permitted by HCD for selected activity, which shall be additional compensation to SHE.
f. For each grant awarded to CITY, the CITY MANAGER shall specify by letter addendum to SHE, the total budget to be administered by SHE. A copy of such addendum shall be attached to and become a part of this Agreement.
g. Revisions:

(1) Monetary revisions that do not exceed 10% of each total negotiated budget may be approved by the CITY MANAGER upon written request and justification.
(2) Monetary revisions that exceed 10% shall require an amendment to this Agreement.
(3) Transfer of funds between activities can be approved by CITY Staff after notification to HCD, if necessary, and does not require an amendment to this agreement.

6. METHOD OF PAYMENT:

a. SHE shall invoice CITY for PROJECT services provided in performance of this Agreement as follows:

(1) The fee invoice for application preparation shall be billed to CITY when the application is complete.
(2) General administration charges are to be billed to CITY on a flat rate basis prorated over the life of the PROJECT from the month funds are available through the expiration of the State Grant Agreement.
(3) Activity Delivery charges will be invoiced at the time of financing approval. Back up documents to the Project Invoice will include financing approval documentation and a financing specific Activity Delivery calculator.
(4) Third party charges such as market value appraisals, title reports and pest control reports, not chargeable to a participant loan or grant, are to be billed to Activity Delivery at actual cost.
(5) Loan and grant funds shall be requested as needed.

b. SHE shall submit its final invoice under this Agreement within fifteen (15) days following the expiration date of this Agreement.
c. CITY shall make payment for all authorized fees to SHE within thirty (30) days after receipt of invoice.
d. Compensation for additional services described in 5.e above shall be invoiced as stated in 6.a. (3), (4) and (5) above. Administrative charges will be negotiated prior to expenditure of funds. Upon completion of additional services, administrative charges will be billed to CITY.

7. INSPECTION AND AUDIT:

a. CITY may inspect all applicable records and may cause to be audited invoices and supporting data relative to funds paid by CITY to SHE.
b. During the term of this agreement, SHE shall have an annual Single Audit performed, a copy of which shall be provided to CITY. If findings are made through a single audit, SHE shall evaluate, correct and inform the auditor and the CITY in writing in a timely manner established by either the auditor or the CITY.
c. Representatives of CITY and HCD shall have the right to examine and inspect rehabilitation work performed pursuant to this Agreement. CITY, HCD, the Bureau of State Audits, the Federal government and/or their representatives shall have the right, upon reasonable notice, to monitor, audit or otherwise examine books, records, accounts, documents and all other materials relevant to the services performed under this Agreement for a period of five (5) years from the date of final payment.

8. INSURANCE AND HOLD HARMLESS.

a. SHE shall carry workers compensation, State disability, and unemployment insurance as prescribed by law. SHE will indemnify CITY, its officials and employees against and hold them harmless from any and all liability for damages on account of injury to persons or damage to property resulting from or arising out of the performance by SHE of this Agreement and reimburse CITY, its officials and employees for all costs, expenses and losses incurred by them in consequence of any claims, demands or causes of action which may be brought against them arising out of the performance by SHE of this Agreement. Before any work commences, SHE shall furnish CITY with a Certificate of Insurance with combined single limits of at least $1,000,000 for bodily injuries and property damages on each occurrence. The Certificate of Insurance shall state that the contractual liability assumed under this Agreement is covered and shall provide that ten (10) days notice shall be given to CITY of cancellation or reduction in coverage.

b. To the extent permitted by law, CITY shall defend, indemnify, and hold harmless SHE, its agents, officers, and employees from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs including litigation costs and attorney's fees arising out of or resulting from the active negligence or wrongful acts of CITY, its officers, or employees, arising out of CITY's performance of this Agreement.

9. COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS: Where required, SHE shall comply with, and require contractors and subcontractors to comply with, each of the following:

a. Federal, state, and local regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, or any other matters applicable to PROJECT. See Exhibit A, Standard Contract Language -- All Contracts, attached;
b. The Davis-Bacon Act (40 U.S.C. § 276a, revised as 40 U.S.C. § 3142, et seq.) as supplemented by Department of Labor (DOL) regulations (29 C.F.R., Part 5);
c. Copeland "Anti-Kickback" Act (18 U.S.C. § 874, et seq.) as supplemented by DOL Regulations (29 C.F.R., Part 3);
d. Sections 103 and 107 of the contract Work Hours and Safety Standards Act (40 U.S.C. 327-220) as supplemented by DOL Regulations (29 C.F.R., Part 5);
e. All applicable standards, orders, and regulations issued pursuant to the Clean Air Act of 1970 (43 U.S.C. § 1857, et seq.) and the Federal Water Pollution Control Act (33 U.S.C. § 1251, et seq.);
f. Executive Order 11246 and all implementing regulations of the DOL;
g. Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. § 12101, et seq.);
h. Rehabilitation Act of 1973 (24 C.F.R., Part 8);
i. Drug-Free Workplace Act of 1990 (Cal. Gov. Code § 8350, et seq.);
j. HUD Lead-Based Paint regulations (24 CFR, Part 35);

k. All applicable laws, ordinances, and codes of CITY and the State of California governing the rehabilitation of dwellings, including all required notices, building, plumbing, mechanical, electrical, sewer, water, and other permits; provided, however, that neither SHE nor engaged contractors and subcontractors shall be held responsible for preexisting violations of any law including, but not restricted to, zoning or building codes or regulations;

l. Benefits for domestic partners (Cal. Public Contract Code § 10295.3);

m. Children and family support obligations (Chap. 8, Part 1, Div. 9, Cal. Family Code § 3800, et. seq);

n. When applicable, all laws related to the CalHome Program including those of the State of California, all federal laws, all local rules or ordinances, all requirements of the Cal Home Program including the statutes, rules, guidelines and duly adopted policies and procedures of the State pertaining thereto. See Exhibit B, State Contract Overlay Requirements, attached.

10. CONFLICT OF INTEREST: No officer, employee, or agent of CITY or SHE, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality who exercises or have exercised any functions or responsibilities with respect to activities performed under this Agreement, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from such activities, or have a financial interest in any contract, subcontract or agreement with respect to activities performed under this Agreement or its proceeds, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one (1) year thereafter. CITY and SHE shall incorporate, or cause to be incorporated, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purposes of this section.

11. ANTI-LOBBYING CERTIFICATION: The undersigned certifies that to the best of his or her knowledge or belief:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form–LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

12. FORCE MAJEURE.

Neither CITY nor SHE shall be deemed to be in default if performance of the improvements required by this contract is delayed or becomes impossible because of any act of God, war, earthquake, fire, civil commotion, epidemic, act of government, its agencies or officers, court order, or any other legitimate cause beyond the control of the party and not caused by the negligent, unreasonable, or intentional acts of the party.

13. TERM OF CONTRACT.

a. This Agreement shall take effect when it has been signed by both parties and shall expire three years from that date.

b. Funding of any programs, projects or services beyond the term of this Agreement, by any new contract or amendment or extension of this Agreement, have not been authorized and will depend upon the satisfactory performance of this Agreement by SHE and upon the availability to CITY of additional grant funds allocated for such purposes. Neither CITY nor any employee of CITY has made any promise or commitment, expressed or implied, that any additional funds will be paid or made available to SHE for the purpose of this Agreement over and above the funds expressly allocated under the terms of this Agreement.

c. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their heirs, successors, survivors, and assigns.

14. TERMINATION.

a. This Agreement may be terminated by either party by giving thirty (30) days prior written notice to the other. Any funds advanced by CITY to SHE and not expended by SHE shall be returned to CITY within thirty (30) days after termination. Any funds due SHE will be forwarded by CITY to SHE. CITY expressly reserves the right to demand of and take action to collect from SHE the repayment to CITY of any funds disbursed to SHE under this Agreement, which in the judgment of CITY were not expended in accordance with the terms of this Agreement. SHE agrees to promptly refund any such funds upon demand.

b. Additionally, CITY may terminate this Agreement at any time if it determines that one or more of the following conditions exist:

(1) An illegal or improper use of funds by SHE;

(2) SHE fails to comply with any term or condition of this Agreement;

(3) SHE improperly performs any of the services to be performed pursuant to this Agreement.

Upon receipt of notice from CITY that one or more of the above conditions exist, SHE shall prepare and submit to CITY within thirty (30) days a proposal for the correction of such conditions. If SHE fails to submit such a proposal or otherwise fails to properly perform this Agreement after notification as hereinabove set forth, CITY may serve SHE with written notice of the termination of this Agreement. In the event of such termination, CITY shall be liable only for allowable services rendered prior to such termination, but CITY shall not be liable

for any services that are not performed in accordance with the terms of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the day and in the year first set forth above.

CITY OF LINDSAY	SELF-HELP ENTERPRISES
_____	_____
Rich Wilkinson City Manager/Chief of Police for the City of Lindsay	Thomas J. Collishaw President and CEO

EXHIBIT "A"

STANDARD CONTRACT LANGUAGE -- ALL CONTRACTS

1. Nondiscrimination Clause: During the performance of this contract, Contractor and its subcontractors, as well as their agents and employees, shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, gender identity, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (including, but not limited to, health impairments related to or associated with a diagnosis of cancer), age (over 40 years of age), marital status, and use of or denial of family and medical care leave or use of or denial of pregnancy disability leave. Contractors and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free some such discrimination and harassment. Contractor and subcontractors, as well as their agents and employees, shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12990 et seq.) and the applicable regulations promulgated hereunder (Title 2, California Code of Regulations, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a)-(f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

   Contractor shall include the nondiscrimination compliance provisions of this clause in all subcontracts to perform work under the contract.

2. National Labor Relations Board Certification: The Contractor warrants by execution of this Agreement and does swear under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two-year period because of the Contractor's failure to comply with an order of a federal court, which orders the Contractor to comply with an order of the National Labor Relations Board. (Cal. Public Contract Code § 10296) (Not applicable to public entities.)

3. Relocation: The Contractor shall comply with all requirements of applicable California relocation law (Gov. Code, § 7260 et seq. and the regulations promulgated thereunder at Cal. Code Regs., tit. 25, § 6000 et seq.). Any relocation plan for the Development shall be subject to the review and approval by the State.

4. Americans with Disabilities Act (ADA) of 1990: By signing this Agreement, Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

5. Drug Free Workplace: By signing this contract, the contractor or grantee hereby certifies under penalty of perjury under the laws of the State of California that the contractor or grantee will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

   a. Publish a statement notifying employees that unlawful manufacture distribution, dispensation, possession or use a controlled substance is prohibited and specifying actions to be taken against for violations.

   b. Establish a Drug-Free Awareness Program to inform employees about:
      i. The dangers of drug abuse in the workplace;
      ii. The person's or organization's policy of maintaining a drug-free workplace;
      iii. Any available counseling, rehabilitation, and employee assistance programs; and,
      iv. Penalties that may be imposed upon employees for abuse violations.

   c. Every employee who works on the proposed contract will:
      i. Receive a copy of the company's drug-free workplace policy statement; and
      ii. Agree to abide by the terms of the company's statement as a condition of employment on the contract.

6. Union Organizing:

   a. Contractor, by its execution of this Agreement, hereby acknowledges that it has read the prohibitions on use of state funds and facilities to assist, promote, or deter union organizing set forth in Chapter 6 of Part 2 of Division 4 of Title 2 of the Government Code, commencing with Section 16645.

   b. By signing this Agreement, Contractor hereby certifies that none of the funds being provided hereunder will be used to assist, promote, or deter union organizing.

   c. If the assistance provided hereunder is in the form of a grant, Contractor shall account for the grant funds as follows:

      (1) State funds designated by Contractor for use for a specific expenditure shall be accounted for as allocated to that expenditure.

      (2) State funds not so designated shall be allocated on a pro rata basis to all expenditures by the Contractor that support the program or project for which the grant is made.

   d. If Contractor is a private employer or if the assistance provided hereunder is in the form of a grant, and Contractor makes expenditures, regardless of source of funds, to assist, promote, or deter union organizing, Contractor shall maintain records sufficient to show that State funds have not been used for those expenditures.

EXHIBIT B

STANDARD CONTRACT LANGUAGE:
ALL CONTRACTS AND SUBCONTRACTS

1. The Civil Rights. HCD, and Age Discrimination Acts Assurances:
During the performance of this Agreement, the Grantee assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subjected to discrimination based on race, color, national origin, sex, age, or handicap, under any program or activity funded by this contract, as required by Title VI of the Civil Rights Act of 1964, Title I of the Housing and Community Development Act of 1974, as amended, and the Age Discrimination Act of 1975, and all implementing regulations.

2. Rehabilitation Act of 1973 and the "504 Coordinator"
The Grantee further agrees to implement the Rehabilitation Act of 1973, as amended, and its regulations, 24 CFR Part 8, including, but not limited to, for Grantees with 15 or more permanent full or part time employees, the local designation of a specific person charged with local enforcement of this Act, as the "504 Coordinator".

3. The Training. Employment and Contracting Opportunities for Business and Lower Income Persons Assurance of Compliance:

a) The grant activity to be performed under this Agreement is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C 1701u. Recipients, contractors and subcontractors shall direct their efforts to provide, to the greatest extent feasible, training and employment opportunities generated from the expenditure of Section 3 covered assistance to Section 3 residents in the order of priority provided in 24 CFR 135.34(a)(2).

b) The parties to this Agreement will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.

c) The Grantee will include these Section 3 clauses in every contract and subcontract for Work in connection with the grant activity and will, at the direction of the State, take appropriate action pursuant to the contract or subcontract upon a finding that the Grantee or any contractor or subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135 and, will not let any contract unless the Grantee or contractor or subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

d) Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the Agreement shall be a condition of the federal financial assistance provided to the project, binding upon the Grantee, its successors and assigns. Failure to fulfill these requirements shall subject the Grantee, its contractors and subcontractors, its successors and assigns to those sanctions specified by the grant or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.

4. Assurance of Compliance with Requirements Placed on Construction Contracts of $10,000 or more

The Grantee hereby agrees to place in every contract and subcontract for construction exceeding $10,000 the Notice of Requirement for Affirmative Action to ensure Equal Employment Opportunity (Executive Order 11246), the Standard Equal Employment Opportunity, and the Construction Contract Specifications. The Grantee furthermore agrees to insert the appropriate Goals and Timetables issued by the U.S. Department of Labor in such contracts and subcontracts.

5. Labor Standards –Federal Labor Standards Provisions

The Grantee shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of:

Davis-Bacon Act (40 U.S.C. § 276a, revised at 40 U.S.C. § 3142) requires that workers receive no less than the prevailing wages being paid for similar work in their locality. Prevailing wages are computed by the Department of Labor and are issued in the form of Federal wage decisions for each classification of work. The law applies to most construction, alteration, or repair contracts over $2,000.

Copeland "Anti-Kickback" Act (18 U.S.C. § 874) requires that workers be paid at least once a week without any deductions or rebates except permissible deductions.

Contract Work Hours and Safety Standards Act–CWHSSA (40 U.S.C. § 3701 et seq.) requires that workers receive "overtime" compensation at a rate of 1-1/2 times their regular hourly wage after they have worked 40 hours in one week.

Title 29, Code of Federal Regulations, Subtitle A, Parts 1, 3 and 5 are the regulations and procedures issued by the Secretary of Labor for the administration and enforcement of the Davis-Bacon Act, as amended.

CITY OF LINDSAY
STAFF REPORT
TEMPORARY USE PERMIT No. 15-04
(125 West Hermosa St.)
February 10, 2015

GENERAL INFORMATION

1. Applicant:	Eric S. Thompson of Budget Mobile 3127 Mulberry St. Selma, CA 93662
2. Requested Action:	**Minute Order Approval** of Temporary Use Permit 15-04 to enroll members of the community in the California Lifeline Program at Bob's Frosty King from February 13 to May 9, 2015
3. Location:	125 W. Hermosa St. - Bob's Frosty King (APN: 205-292-008).

PROJECT DESCRIPTION

Temporary Use Permit 15-04 is a request by Eric S. Thompson of Budget Mobile for minute order approval to enroll new members into the California Lifeline Program utilizing existing patio tables at the southwest corner of the Bob's Frosty King restaurant (125 W. Hermosa St.).

The California Lifeline Program is headed by the California Public Utility Commission and paid for by surcharges on cell phones. This Federal and State funded Government program is designed to help those most in need with a free cell phone, which includes free unlimited talk and text each month for a year. This program enables those who qualify to communicate with employers, doctors, family, and schools as well as job searching etc.

Mr. Thompson proposes to use an outdoor dining table at Bob's, on the sidewalk within the public right-of-way. Enrollment would not impede pedestrian or vehicular traffic and a minimum pedestrian way of forty-eight (48) inches would be maintained at all times. The project site is bordered by Hermosa Street to the south, residential uses to the north, Elmwood Avenue to the east, and a Fastrip gas station to the west.

The duration of the temporary use would be from February 13, 2015 through May 9, 2015. Hours of operation would be approximately 10am – 9pm on Thursday, Fridays and Saturdays, not to exceed the maximum thirty calendar days allowed for outdoor temporary uses.

SITE USE

The proposed site is part of the outdoor dining area for Bob's Frosty King. It is fully paved with adequate space to maintain pedestrian accessibility.

PERMIT REQUIREMENTS

The project site is zoned Central Commercial (CC). The proposed use is permitted, subject to approval of a temporary use permit by the City Council. Requirements for temporary use permits are listed in Zoning Ordinance Section 18.17.180:

SECTION 18.17.180 TEMPORARY USE PERMITS

Temporary use permits may be approved by the City Council. Temporary uses are defined as non-permanent, special promotional or seasonal land uses which are similar in nature and intensity to land uses in the underlying zone. The city council may approve temporary use permits, subject to the following findings and guidelines:

A. Temporary use permits shall be for a fixed period of time, not to exceed thirty calendar days per year for each outdoor temporary use, and six months for all other uses or structures.

B. Adequate and safe ingress and egress shall be provided to the project site. Directional signing, barricades, fences, and landscaping may be required as a condition of permit approval. Private security personal may also be required for promotional events.

C. Adequate parking facilities shall be provided for each temporary use.

D. The proposed temporary use will not adversely impact traffic circulation or result in traffic congestion in the project area.

E. Upon termination of a temporary use, or abandonment of the site, the applicant shall remove materials and equipment, and restore the premises to its original condition.

F. Reasonable time limits for hours of operation may be set by the city council as a condition of permit approval.

G. Applicants for temporary use permits shall secure all other applicable licenses and permits prior to issuance of a temporary use permit.

H. Signing for temporary uses shall be subject to the approval of the community development department.

I. The city council may deny an application for a temporary use permit if conditions exist which would be injurious or detrimental to existing improvements, land uses, or surrounding areas.

EVALUATION

Access: The project site provides safe access via one parking lot entrance from Hermosa Street and one from Elmwood Avenue. Staff believes that these accesses meet the required criteria for a temporary use permit.

Parking: Adequate parking is available at and adjacent to the proposed site.

Hours of Operation: Reasonable hours of operation are proposed for this type of use: 10 am to 9 pm, on days of operation.

Duration of Permit: Council may approve this temporary use permit request for a time period not exceeding a cumulative total of thirty days. The applicant is requesting an approval for thirty days (Thursdays, Fridays and Saturdays for a maximum of thirty calendar days).

Site Cleanup: The applicant would be required to maintain the site and surrounding area in a clean and neat condition, free of all trash and debris. Upon the conclusion of operation the site would be returned to its original condition.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA) Article 19 §15304 identifies the minor temporary use of land having negligible or no permanent effects on the environment as Categorically Exempt.

RECOMMENDATION

This is Mr. Thompson's first request for this proposed use; however, he is the first to seek council approval before setting up his use. Other uses that are similar in nature have tried to conduct such business practices without seeking council approval. Staff recommends that the City Council grant **Minute Order approval** of Temporary Use Permit No. 15-04, based on the findings and subject to the conditions found here.

- The temporary use would not impede the normal flow of vehicle traffic, nor would it obstruct driveway or pedestrian accesses.
- The use would be limited to the hours between 10:00 AM and 9:00 PM for operation.
- The temporary use permit would be effective upon February 13, 2015, and would expire after operating hours on May 9, 2015 only on Thursdays, Fridays and Saturdays for a maximum of thirty calendar days.
- The site and surrounding area would be maintained in a clean and neat condition, free of all trash and debris. Upon conclusion of the temporary use, the site would be returned to its original condition.
- The applicant would provide a certificate of liability insurance naming the City of Lindsay as the certificate holder insuring a minimum of one million dollars in coverage (similar to the attached sample).
- The applicant would comply with all applicable city codes and ordinances.

ATTACHMENTS

- Aerial Map Showing Site
- Letter From Budget Mobile
- Certificate of Liability Insurance Sample
- Zoning Map

Site Plan—TUP 15-04
125 W. Hermosa St.
N Elmwood Ave
Legend
Enrollment Area
Google earth
© 2015 Google
90 ft

CALIFORNIA LifeLine PROGRAM

Budget MOBILE LIFELINE

Dear Sir/Madam,

We are working with the less fortunate on a State and Government sponsored and funded phone program called the California Lifeline.

This program is headed by the California Public Utility Commission and paid for by surcharges on cell phones. This Federal and State funded Government program is designed to help those most in need with a free cell phone which includes free unlimited talk and text each month for a year. This program enables those who qualify to communicate with employers, doctors, family, and schools as well as job searching etc. For the reasons mentioned above it is vital for us to be accessible to those in need.

Local government and businesses in the area all play a part in helping those in need in our community. We have been approved to be in front of many Government facilities and Social Services throughout California and partner with local businesses.

Your help in providing a sign up area will greatly help meet our goal of no household left without the ability to communicate. It is our mission and the mission of the California Lifeline Program to reach every family in need that qualifies for this program. We look forward to working with you as your help is greatly appreciated.

Thank you for being part of this important California Lifeline launch.

Respectfully,

Timothy Kershaw

303-818-9470

Budget Mobile Lifeline/WCMS Regional Manager

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 08/08/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Phone: (707) 469-6776 Fax: (707) 469-8072
ECLIPSE MARKETING & INSURANCE SERVICES
2280 DIAMOND BLVD, #450
CONCORD CA 94520

CONTACT NAME: [redacted]
PHONE (A/C, No, Ext): [redacted] FAX (A/C, No): [redacted]
E-MAIL ADDRESS: [redacted]
PRODUCER CUSTOMER ID: [redacted]

INSURED
SUPERIOR MODULAR TRANSPORT, INC.
P.O. BOX 717
RIPON CA 95366

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A :	Transguard Ins. Co.	
INSURER B :	State Compensation Insurance Fund	
INSURER C :		
INSURER D:		
INSURER E :		
INSURER F :		

COVERAGES CERTIFICATE NUMBER: 29828 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY			[redacted]	08/01/11	08/01/12	EACH OCCURRENCE	$ 1,000,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 100,000
	CLAIMS-MADE X OCCUR						MED. EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 1,000,000
							GENERAL AGGREGATE	$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
								$
A	AUTOMOBILE LIABILITY			[redacted]	08/01/11	08/01/12	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS						BODILY INJURY (Per accident)	$
	X SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident)	$
	X HIRED AUTOS							$
	X NON-OWNED AUTOS							$
								$
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$
	DEDUCTIBLE							$
	RETENTION $							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			[redacted]	10/01/10	10/01/11	X WC STATU-TORY LIMITS OTH ER	$
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N	N/A					E.L. EACH ACCIDENT	$ 1,000,000
	(Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE-EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE-POLICY LIMIT	$ 1,000,000
A	CARGO			[redacted]	08/01/11	08/01/12	$50,000 DED $2,500	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER IS NAMED AS ADDITIONAL INSURED PER POLICY WORDING

CERTIFICATE HOLDER

City of Lindsay
251 E. Honolulu Street
Lindsay CA 93247

Attention:

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Larry St John

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POLICY NUMBER: [redacted]

COMMERCIAL GENERAL LIABILITY
CG 20 26 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)
ANY PERSON OR ORGANIZATION TO WHOM A CERTIFICATE OF INSURANCE HAS BEEN ISSUED EVIDENCING COVERAGE PROVIDED BY THIS POLICY. BUT SUCH PERSON OR ORGANIZATION IS ONLY AN INSURED FOR THE LIABILITY ARISING OUT OF "YOUR WORK" PERFORMED ON OR AT THE PREMISES OF THAT PERSON OR ORGANIZATION UNDER THE TERMS OF AN "INSURED CONTRACT".
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

A. In the performance of your ongoing operations; or

B. In connection with your premises owned by or rented to you.

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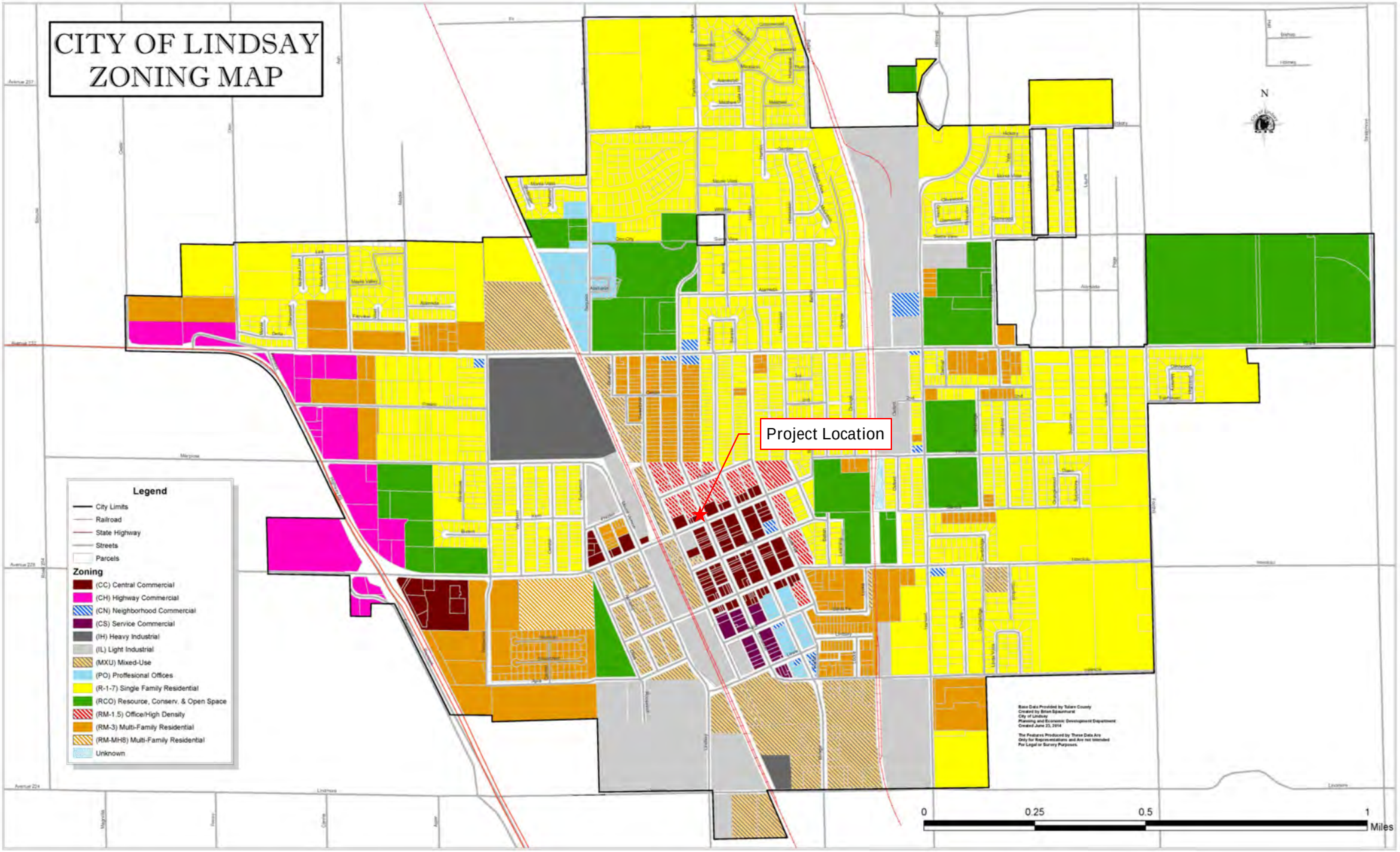
AGENT/BROKER COPY


CITY OF LINDSAY
ZONING MAP
Project Location
N
Legend
City Limits
Railroad
State Highway
Streets
Parcels
Zoning
(CC) Central Commercial
(CH) Highway Commercial
(CN) Neighborhood Commercial
(CS) Service Commercial
(IH) Heavy Industrial
(IL) Light Industrial
(MXU) Mixed-Use
(PO) Proffesional Offices
(R-1-7) Single Family Residential
(RCO) Resource, Conserv. & Open Space
(RM-1.5) Office/High Density
(RM-3) Multi-Family Residential
(RM-MH8) Multi-Family Residential
Unknown
0
0.25
0.5
1
Miles

PUBLIC HEARING PROCEDURES

The following rules shall apply:

1. OPEN the public hearing.

2. PROPONENTS (those in favor). The Council may ask questions of the proponents and they may respond.

3. OPPONENTS (those against). The Council may ask questions of the opponents and they may respond.

4. REBUTTAL each side.

5. FURTHER QUESTIONS from Council, but the parties may not engage in further debate.

6. CLOSE the public hearing.

7. COUNCIL DISCUSSION.

8. MOTION (if necessary).

9. COUNCIL VOTE.

Ordinance No. 548

Date: February 10, 2015

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LINDSAY AMENDING CHAPTER 3.04, TITLE 3 OF THE LINDSAY MUNICIPAL CODE.

GENERAL INFORMATION

Applicant: City of Lindsay

Requested Action: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LINDSAY AMENDING CHAPTER 3.04, TITLE 3 OF THE LINDSAY MUNICIPAL CODE TO REQUIRE PREVAILING WAGES FOR LOCAL PROJECTS IN COMPLIANCE WITH SENATE BILL 7 – First Reading.

DESCRIPTION

Public Hearing for Ordinance No. 548 – First Reading is a request by the City of Lindsay to amend the Lindsay Municipal Code Chapter 3.04 Title 3 of the Lindsay Municipal Code to Require Prevailing Wages for local projects in compliance with Senate Bill 7. This requested amendment was legally noticed as a public hearing in the Porterville Recorder on January 24, 2015.

DISCUSSION

The Chapter and Sections are presented tonight as a First Reading to amend the City of Lindsay Municipal Code.

The process for amending the Municipal Code as proposed is straight forward and is governed by Municipal Code Section 3.09, Ordinances in General under the Charter of the City of Lindsay.

Current City Municipal Code provisions require that the prevailing wages (as defined under State Law) not be a requirement of projects that are paid for entirely out of local funds. Charter Cities have been recognized to be exempt from state prevailing wage laws for local projects. However, a state law adopted in 2013, known as SB 7, requires that Charter Cities either comply with prevailing wage laws in local projects, or forego receiving state funding for other projects.

Although complying with prevailing wage laws will increase local project costs by a significant amount, loss of state funding for other projects that the City participates in would constitute an even greater loss to the City. Therefore, staff recommends complying with SB 7.

BACKGROUND

While SB 7 is effective January 1, 2015, a group of cities in Southern California have sued the state, alleging that SB 7 is an unconstitutional infringement on the self-governing rights of Charter Cities. A decision in that case, issued in September, 2014, ruled against the cities. An appeal of that decision has been filed, but the outcome has not been released prior to the compliance date of January 1, 2015.

In light of the continuing litigation, staff proposes that the City adopt an ordinance that complies with SB 7.

COUNCIL ACTION;

Council may select one of the two actions outlined herein:

1. Approve the first reading of the attached ordinance authorizing adoption of the amendment of the Lindsay Municipal Code.

2. Disapprove and do not adopt the attached ordinance and direct staff to pursue some other action.

ATTACHMENTS

Ordinance No.548, an Ordinance of the City Council of the City of Lindsay amending Chapter 3.04, Title 3 of the City of Lindsay Municipal Code.

ORDINANCE NO. 548
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LINDSAY AMENDING CHAPTER 3.04, TITLE 3 OF THE LINDSAY MUNICIPAL CODE.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LINDSAY FOLLOWS, TO WIT:

SECTION 1. The following sections of the Municipal Code of the City of Lindsay are hereby amended as follows:

Title 3, Revenue and Finance Chapter 3.04, Purchasing and Contracting, Section 3.04.210, Bid Wage Determination of the City Code is hereby amended and replaced as follows:

Section 3.04.210, Bid wage determination.

Each public works project proposed to be put to sealed bid pursuant to the procedures set out in Section 3.04.090 of this chapter shall have as a part of such bid call a statement by the city manager as to the requirement for the payment of wage rates by bidders, any geographic coverage of such proposed wage rates, and any other appropriate guidelines and restrictions on the payment of wages by prospective contractors to their employees.

A. Insofar as is possible, bidders which agree to employ persons to work on specific project bids are being submitted, and such employed persons live within the city limits of the city of Lindsay, then those bidders shall be provided preference in the award of bids by the city.

B. Bidders who have their headquarters within the city limits of the city of Lindsay, who pay a business license tax to the city, and who agree to employ persons resident within the city of Lindsay, shall be provided added preference in the award of public works contracts by the city, insofar as is possible.

SECTION 2. This ordinance shall be in full force and effect thirty (30) days after its passage, adoption and approval.

The foregoing ordinance, read by title only with waiving of the reading in full was introduced at a regularly scheduled meeting of the City Council on the 10th day of February, 2015.

ATTEST: CITY COUNCIL OF THE CITY OF LINDSAY

_____ _____
Carmela Wilson, City Clerk Ramona Padilla Villarreal, Mayor

PUBLIC HEARING PROCEDURES

The following rules shall apply:

1. OPEN the public hearing.

2. PROPONENTS (those in favor). The Council may ask questions of the proponents and they may respond.

3. OPPONENTS (those against). The Council may ask questions of the opponents and they may respond.

4. REBUTTAL each side.

5. FURTHER QUESTIONS from Council, but the parties may not engage in further debate.

6. CLOSE the public hearing.

7. COUNCIL DISCUSSION.

8. MOTION (if necessary).

9. COUNCIL VOTE.

CITY OF LINDSAY
STAFF REPORT
CONDITIONAL USE PERMIT/VARIANCE 14-36
February 10, 2015

GENERAL INFORMATION

1. Applicant:	Alma Rocha 655 N. Westwood Ave. Lindsay, CA 93247
2. Requested Action:	Conditional Use Permit Approval to Add a 2 Unit Apartment and a 1 Space Variance to Parking Requirements.
3. Location:	655 N. Westwood Ave Lindsay, CA 93247 (APNs 199-070-016 and 199-070-017)

PROJECT DESCRIPTION

Conditional Use Permit and Variance 14-36 is a request by Alma Rocha (property owner) to construct a new two-story, two-unit apartment building, reconstruct two single-story apartment buildings, and receive a one-space variance to the overall complex parking requirement. Two (2) on-site parking spaces would be added to the nineteen (19) existing parking spaces, one of which is handicap accessible, for a total of twenty-one (21) parking spaces. Without a variance, a total of twenty-two (22) spaces would be required for the complex. This reduction in parking is requested due to a lack of room for a standard parking space adjacent to the complex driveway along with a desire to preserve the newly-created park area within the complex.

Other site improvements include:

- Installation of parking bumpers at each new and existing parking space for safety and to protect property.
- Installation of concrete pads and screened fencing for new units to provide trash can storage and screening. Installation of slats in perimeter chain link fencing to provide screening (a small section of chain link fence exists without slats in northwest corner of property).
- Removal of trash and debris from the site.
- Repair and covering of exposed wires and other unsafe items on existing dwelling units (none were observed during most recent site visit; however, this requirement will be confirmed by the building inspector).
- Screening of roof mounted equipment.
- Installation of arbor in the Park area.

SITE BACKGROUND

The applicant had approached the city prior to 2009 with a request to improve the apartments on the property along with constructing a new two-story duplex. The site was located within the R-1-7 zoning district, and so the request was unusual. Council reviewed the site and request and determined that there were special circumstances related to the configuration and density of the site that warranted consideration of the project request. From that review Council determined that it was in the best interest of the residents and of the community to improve the site and promote a suitable environment for family life by permitting the development and redevelopment of the property along with requiring adequate space for recreation.

In 2009 the City Council approved conditional use permit 09-16 for this project. In sum, that request was to demolish and reconstruct two (2) apartment units that were below grade, construct a new two-story, two-unit apartment, and develop an on-site park for residents. Following approval the applicant made several site improvements including completion of driveway paving, concrete pads and screened fencing for trash cans, increased fence screening, landscaping, trash removal, and repair of unsafe items. It is also worth noting that the site plan has not been altered from that originally approved.

From 2010 to 2013 project extensions were granted as progress was made by the applicant, however, the latest extension expired on August 9, 2014 without a request for a new extension. The applicant approached staff approximately a month following the expiration of the final extension and learned that a new review the project would be required by Council for approval.

In support of this request a site visit was made to assess the current state of progress, of which the following was observed:

- While the park area is not complete significant progress has been made (installation of an arbor is all that remains).
- To provide screened fencing, the applicant installed concrete block fencing to a large portion of the site instead of slatted chain link. This is considered an upgrade to the requirement. Concrete block increases the visual appeal and has more durability than slatted chain link. A small section of unscreened chain link remains on the northwest corner of the property which needs slats or some other form of screening.
- Landscaping around the parking spaces has been installed.

Surrounding land uses include single family residential use to the north, south, and west, and heavy industrial use to the east.

COMPATIBILITY WITH EXISTING ZONING, PLANS AND POLICIES

Conditional Use Permit Review: In certain districts, conditional uses are permitted subject to the granting of a use permit. Because of their unusual characteristics, conditional uses require special considerations so that they may be located properly with respect to the objectives of the zoning code and their effects on surrounding properties. In order to achieve these purposes, and thus give the district use regulations of this title additional flexibility necessary to achieve the objectives of this title, the city council is empowered to grant and to deny applications for use permits and to impose reasonable conditions upon the granting of use permits (Ord. 437 § 1 (part), 1989). Further, Municipal Code Section 18.17.170 allows that, “A use permit granted under the provisions of this

chapter or a conforming conditional use established prior to the enactment of this title may be revised as to features of the site plan previously approved; provided that such revisions are minor, as determined by city council."

Variance Permit Review: Section 18.21.020 of the zoning ordinance states that "the city council may grant variances to the regulations prescribed by this title only with respect to fences and walls, site areas, width, frontage, depth, coverage, front yard, rear yard, side yards, height of structures, distances between structures, off-street parking facilities and off-street loading facilities."

The city council may grant a variance if it makes the following findings:

- That there are special circumstances or conditions applicable to the property involved, such that strict or literal interpretation and enforcement of the specified regulation would deprive the applicant of privileges enjoyed by owners of other properties classified in the same zoning district.
- That the granting of the variance will not constitute a grant of special privilege inconsistent with the limitations on other properties classified in the vicinity and in the same zoning district.

***Zoning and Land Use*:** The subject property is zoned R-1-7 (Single-Family Residential), and is surrounded by single family residential and heavy industrial land uses.

Zoning Characteristics: The R-1-7 zoning district is intended primarily to provide living areas at locations designated by the general plan for low density, involving single-family dwellings, with regulation intended to promote and encourage a suitable environment for family life.

Circulation: Access to the subject property is provided via Westwood Avenue.

Public Services: The site is within a convenient response time of public safety services, and the existing and available water supply and conveyance facilities provide adequate fire suppression capabilities. Sanitary sewer and municipal water services are available at the site.

Environmental Setting:
Flood Potential: The subject property, like the immediate area surrounding it, is not within a flood hazard area.

PROJECT EVALUATION

The applicant is requesting City Council approval for a conditional use permit to construct a new two-story, two-unit apartment building and reconstruct two single-story buildings, which were part of CUP 09-16, approved by Council on July 14, 2009. Included in the current request is a variance of one parking space to the off-street parking requirement of twenty-two (22) spaces. The applicant would also make several site improvements including the installation of parking bumpers, concrete pads and screened fencing for trash cans, increased fence screening, landscaping, trash removal, screening of roof mounted equipment, installation of an arbor in the park area, and repair of any unsafe items.

Staff finds this request for a conditional use permit to be in keeping with that originally approved with CUP 09-16. The variance portion of this project is necessary to address the shortage of one parking space.

Staff finds that the request for variance is consistent with the requirements of the variance chapter of the zoning ordinance. The following should be considered regarding the requested variance:

- A survey of properties that consist of non-corporate (mom-and-pop style) apartments reveals that 14 other properties exist where parking is not in conformance with the zoning code.
- Because other similar uses exist which do not conform to the zoning code, variance approval would not constitute the granting of special privilege.
- The granting of a variance is a discretionary approval. Council may *deny* the request, *approve* the request, or *approve the request with conditions.*

***Open Space*:** Open space for the recreational use of on-site tenants is now currently available and the proposed project provides 10% of the net site area to be dedicated as landscaped and active play space excluding required yard areas per Lindsay's General Plan.

Parking: As proposed, the requirement for this project is twenty-two (22) parking spaces; however, after development only twenty-one (21) spaces would be provided. The applicant would also provide parking bumpers for all parking spaces.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) finds that in-fill development projects to be categorically exempt, under CEQA Article 19 Section 15332. A Notice of Exemption has been prepared and available for public review.

RECOMMENDATION

Staff recommends approval of the Conditional Use Permit/Variance No. 14-36, based on the findings and subject to the conditions found in the attached draft resolution. Staff also notes that while several of the conditions found in the attached draft resolution have already been completed, they still require verification of completion by the building inspector before certificates of occupancy can be granted.

ATTACHMENTS

- Draft Resolution
- Site Plan
- Map of Sample Sites
- Zoning Map

RESOLUTION NO. 15-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LINDSAY APPROVING CONDITIONAL USE PERMIT/VARIANCE NO. 14-36, A REQUEST BY ALMA ROCHA TO CONSTRUCT A TWO STORY RESIDENTIAL DUPLEX, RECONSTRUCT TWO APARTMENT UNITS, AND REDUCE THE COMPLEX PARKING REQUIREMENT BY 1 SPACE IN THE SINGLE FAMILY RESIDENTIAL (R-1-7) ZONED DISTRICT FOR PROPERTY LOCATED AT 655 N. WESTWOOD, LINDSAY, CA 93247 (APNS: 199-070-016 AND 017)

At a regularly scheduled meeting of the City Council of the City of Lindsay, held February 10, 2015, at the hour of 6:00 p.m. in the Council Chambers at City Hall, Lindsay, California 93247, the following resolution was adopted:

THAT WHEREAS, Conditional Use Permit/Variance Application No. 14-36 was filed pursuant to the regulations contained in Ordinance No. 437, the Zoning Ordinance of the City of Lindsay; and

WHEREAS, the City Council of the City of Lindsay, after ten (10) days published notice, did hold a public hearing before said Council on February 10, 2015; and

WHEREAS, the Planning Department staff has prepared necessary investigations and prepared a staff report of information bearing upon the Conditional Use Permit/Variance application; and

WHEREAS, the City Council of the City of Lindsay, deems it to be in the best interest of the residents and of the community to improve the site and promote a suitable environment for family life by developing and redeveloping the property and by providing adequate space for recreation.

WHEREAS, the project is categorically exempt from the provisions of the California Environmental Quality Act, as infill development.

NOW, THEREFORE, BE IT RESOLVED that the project is exempt from further environmental review pursuant to CEQA Section §15332.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council of the City of Lindsay finds the proposed Conditional Use Permit/Variance to be consistent with the provisions of the City of Lindsay Zoning Ordinance (Municipal Code Title 18).

BE IT FURTHER RESOLVED, that the City Council of the City of Lindsay hereby approves the above described Conditional Use Permit/Variance application, subject to the following conditions:

SECTION 1. That the final plan of development shall be in substantial compliance with the approved site plan and all applicable Lindsay Development Standards.

SECTION 2. That the developer shall, under City inspection, remove all existing, abandoned and unnecessary items from the project site, to the satisfaction of the Director of City Services.

SECTION 3. That final building elevations shall incorporate high quality, consistent architectural design features, and shall be subject to final approval by staff through the building permit plan check process.

SECTION 4. That all new and existing parking spaces shall be provided with a parking bumper.

SECTION 5. That a van accessible handicapped parking space shall be located nearest the new duplex.

SECTION 5. That all units shall be provided with a concrete pad and screened fencing for trash can storage.

SECTION 6. That the perimeter fencing shall achieve screening of at least 90%.

SECTION 7. That all new or existing mechanical equipment (ground or roof mounted) shall be screened from public view. Roof-mounted mechanical equipment shall be screened by design, with screening measures clearly indicated in the building permit application package.

SECTION 8. That each unit in the new duplex shall have at least (2) bedrooms.

SECTION 9. That the reconstructed south-east and north-east apartments shall each have at least two (2) bedrooms.

SECTION 10. That bedrooms in all new construction shall have closets provided.

SECTION 11. That curb and gutter shall be repaired, as required, as determined by the director of City Services.

SECTION 11. That the applicant shall provide a laundry facility inside each new and existing unit, replacing any non-conforming configuration or structure.

SECTION 12. That the applicant shall provide a minimum 3177 square foot on-site park. The park shall include at a minimum, three (3) Chinese Pistachio trees with wrap around benches, one (1) arbor over a concrete pad, two (2) picnic tables, ivy along the park fence, wax leaf privets or similar bushes in planters, and grass, all of which shall follow the layout depicted in the site plan and shall follow the General Provisions given in the Lindsay Municipal Code for maintenance of landscaped areas, particularly those outlined in Ordinance 437 § 1.

SECTION 13. That the parking areas shall receive additional landscaping including bushes and grass which shall follow the layout depicted in the site plan and shall follow the General Provisions given in the Lindsay Municipal Code for maintenance of landscaped areas, particularly those outlined in Ordinance 437 § 1.

SECTION 13. That a landscape and irrigation plan shall be submitted for all landscaped areas, to the approval of the City planner.

SECTION 14. That the applicant shall ensure proper installment and maintenance of automatic irrigation for the site park and other landscaping.

SECTION 15. That all driveway and parking surfaces shall be completed in concrete, including the hammerhead turnaround. Any damaged concrete sections shall be repaired/replaced to the satisfaction of the director of City Services.

SECTION 16. That a total of twenty-one (21) spaces exist upon completion, with two (2) of those spaces located behind the ends of the hammerhead and three (3) located east of the new duplex. The three (3) parking spaces east of the duplex shall be covered and the parking space closest to the duplex on the east side of the building shall be handicapped accessible with a van loading and unloading access aisle.

SECTION 17. That the developer shall pay all applicable fees including, water, sewer, storm drain acreage, connection, park land, etc., as required.

SECTION 18. That all existing units shall receive a health and safety inspection by the building inspector and that health and safety items shall be corrected to the satisfaction of the building inspector prior to receiving certificates of occupancy on any new structure.

SECTION 19. This project shall be subject to all applicable mandatory air pollution control measures of the San Joaquin Valley Unified Air Pollution Control District in effect at time of development, including, but not limited to Regulation VIII (Fugitive PM10 Prohibitions), Regulation VIII (Rules 8011-8081), Rule 4102 (Nuisance), 4103 (Open Burning), Rule 4601 (Architectural Coatings), Rule 4641 (Cutback, Slow Cure, and Emulsified Asphalt, Paving and Maintenance Operations), Rule 4901 (Wood Burning Fire Places and Wood Burning Heaters), and Rule 9510 (Indirect Source Review). This mitigation measure will be monitored by the City of Lindsay through the plan check process for site plan improvements and building construction.

SECTION 20. That all other City codes and ordinances shall apply.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Lindsay this 10th day of February, 2015.

ATTEST:

CITY COUNCIL OF THE CITY OF LINDSAY

_____
Carmela Wilson, City Clerk

_____
Ramona Villarreal-Padilla, Mayor

SITE PLAN:

OWNER: ALMA ROCHA
655 N. WESTWOOD
LINSDAY, CA. 93247

SITE ADDRESS: 655 N. WESTWOOD
LINDSAY, CA. 93247

APN:

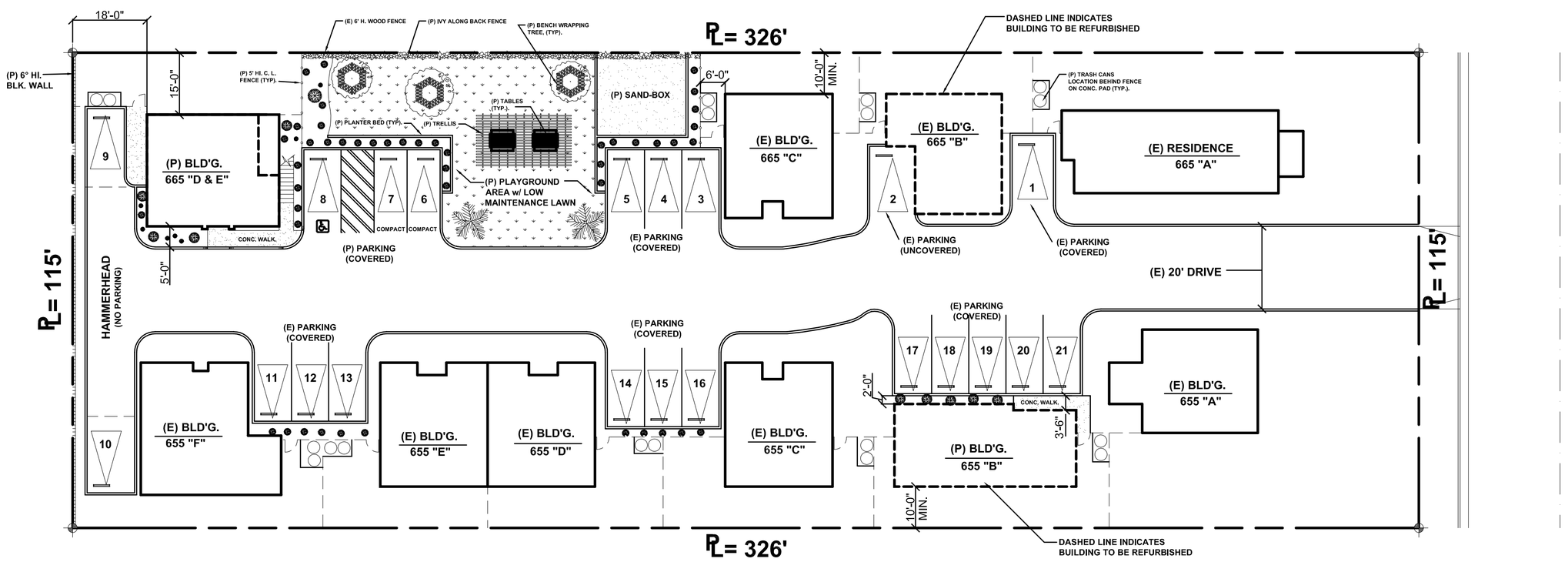
SITE AREA: 37,490 S.F.

EXISTING # OF UNITS: 9 UNITS (ALL MIN. 2 BDRM. / 1 BATH).
ADDITIONAL UNITS PROPOSED: 3 UNITS (2- 2/1 & 1- 2/1 (UPSTAIRS)).
TOTAL: 12 UNITS

PARKING REQUIRED: = 23 P.S. @ (2 PER 2 BDRM. UNITS & 1.5 PER 1 BDRM. UNITS).
PARKING PROVIDED: = 20 STANDARD
2 COMPACT
TOTAL PARKING: = 22 P.S.

TOTAL PLAYGROUND AREA: 3,177 S.F.

PRELIMINARY SITE PLAN #6



SITE PLAN SCALE: 1" = 20'

NORTH

AUTOCAD LT-[:\\SKYLAB-5\MY DOCUMENTS\AUTOCAD\SKYLAB IN. 2009\ADITIONS & REMODELS 2009\TERESA ROCHA\WESTWOOD\ROCHA

SKYLAB RESIDENTIAL DESIGNS
Jesus R. Gutierrez
1004 W. Main St.
Visalia, Ca. 93291
Ph. (559) 625-9150
Fax (559) 625-9153
skylab1004@msn.com

Revisions

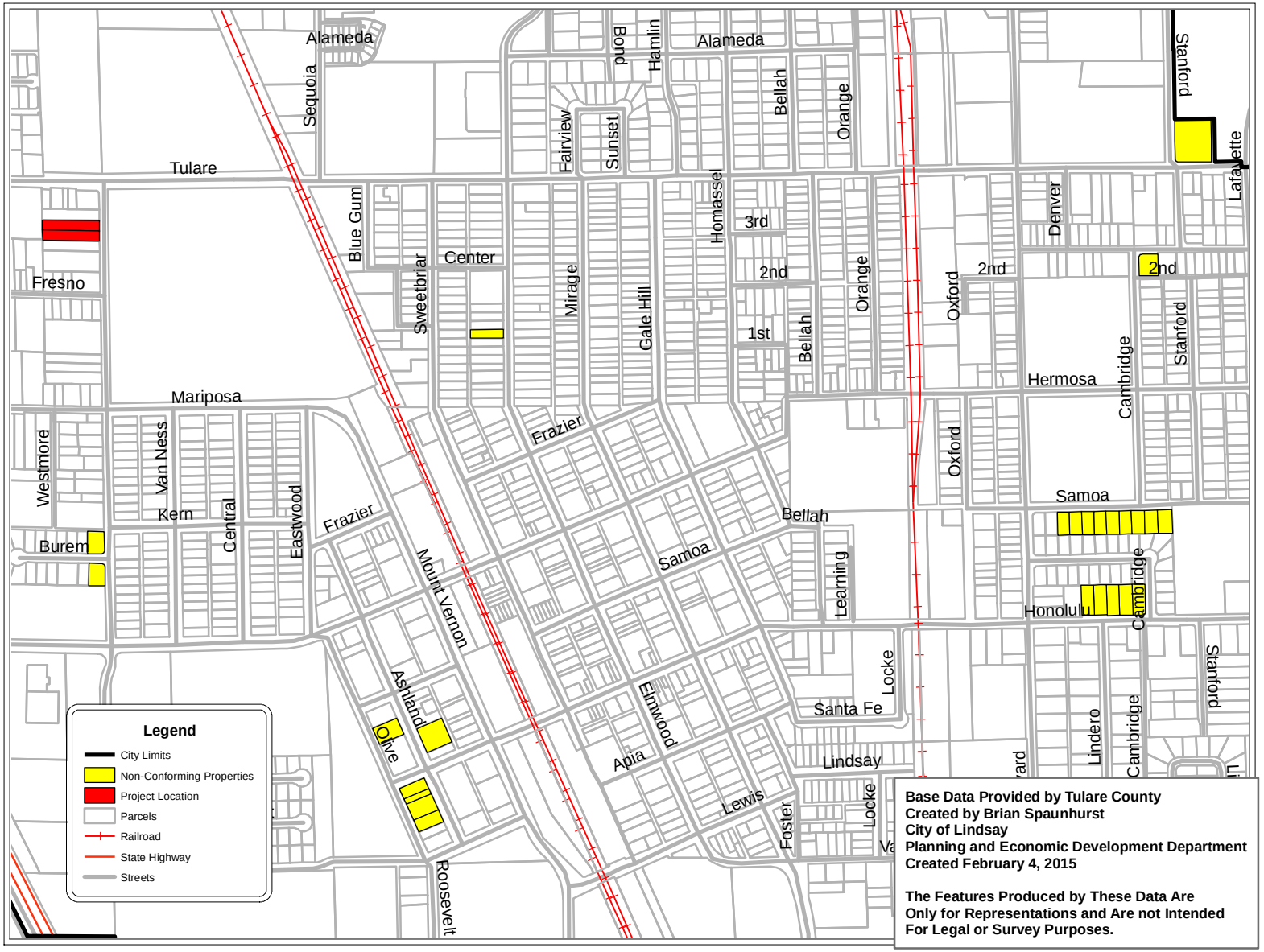
This is an unpublished work and may not be duplicated, published or otherwise used in whole or part without written consent of Skylab Residential Designs

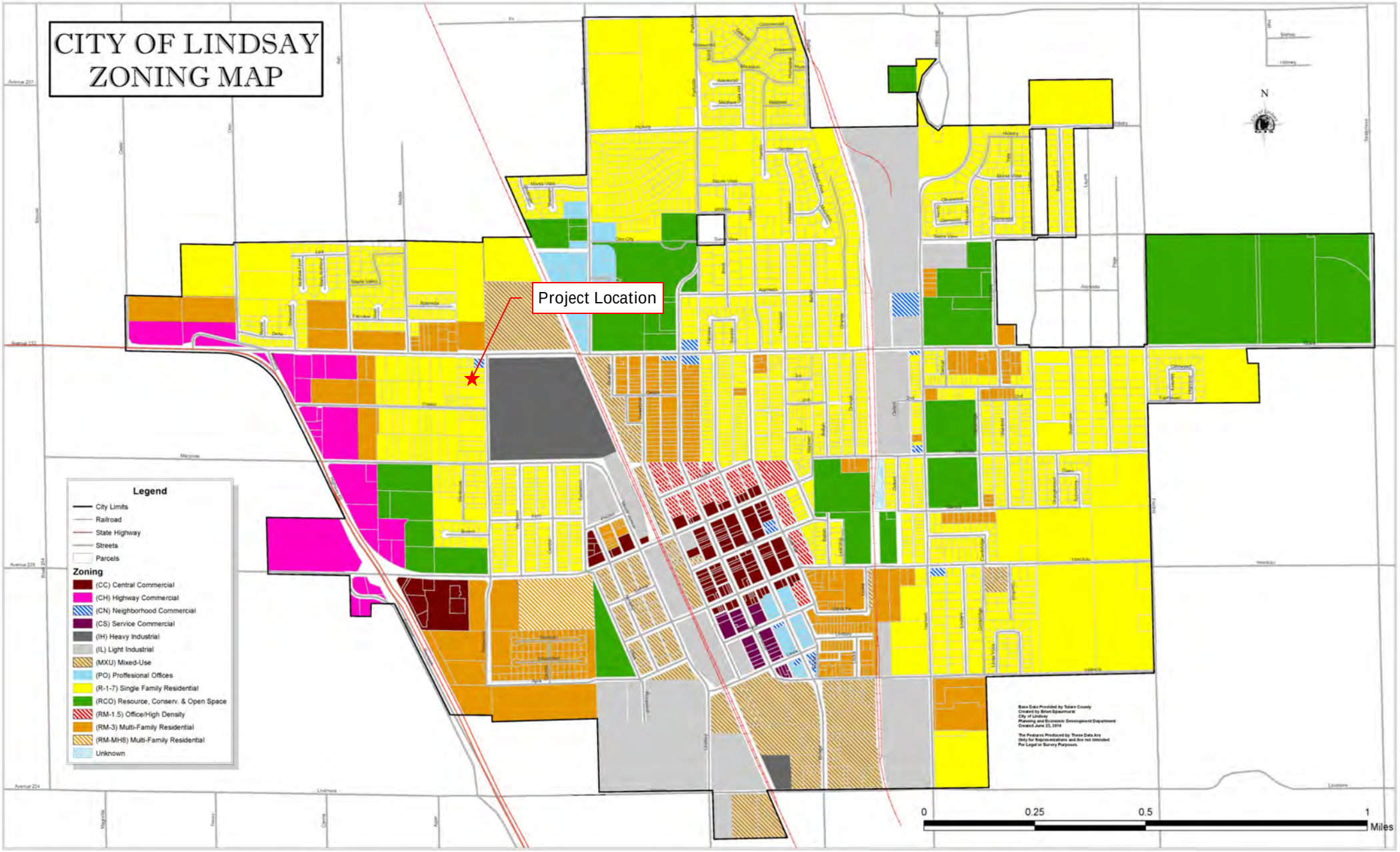
NEW SITE PLAN FOR:
ALMA ROCHA
655 N. WESTWOOD AVE., LINDSAY, CA. 93247

Date:	06-03-09
Drawn by:	SKYLAB
Checked by:	J.G.
Scale:	AS NOTED
Job #	
Sheet	G 1

JUN-26-2009 JI

MAP OF SAMPLE SITES




CITY OF LINDSAY
ZONING MAP
Project Location
N
Legend
City Limits
Railroad
State Highway
Streets
Parcels
Zoning
(CC) Central Commercial
(CH) Highway Commercial
(CN) Neighborhood Commercial
(CS) Service Commercial
(IH) Heavy Industrial
(IL) Light Industrial
(MXU) Mixed-Use
(PO) Proffesional Offices
(R-1-7) Single Family Residential
(RCO) Resource, Conserv. & Open Space
(RM-1.5) Office/High Density
(RM-3) Multi-Family Residential
(RM-MH8) Multi-Family Residential
Unknown
0
0.25
0.5
1
Miles

Date: February 10, 2015
To: Honorable Mayor Ramona Padilla and Esteemed Council
From: Tamara Laken, Director of Finance
Re: Resolution #15-05 – Housing-Related Parks Program

ACTION:

- o Public Hearing
- o Ordinance
- o Consent Calendar
- **X Action Item**
- o Report Only

Staff was directed by the City Manager to apply for the 2014 Housing Related Parks Program which was due to the state by Feb. 5, 2015.

As you know, the HRP Program rewards jurisdictions for building affordable housing that are in compliance with State housing element laws. Awards are based on a per-bedroom count. Each residential unit must be affordable to very low and low income households. The awarded funds are to be used to create or rehabilitate parks and/or recreational facilities.

Staff was able to meet the Program threshold requirements set forth in the program guidelines. Draft Resolution #15-05 was submitted with the application which is acceptable by the Department. However, an applicant must provide an approved resolution within 30 days of grant submission.

Thank you.

Action Required

Authorization of Resolution #15-05

RESOLUTION NO. 15-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LINDSAY AUTHORIZING SUBMITTAL OF AN APPLICATION FOR HOUSING RELATED PARKS GRANT FOR THE 2014 PROGRAM YEAR.

At a regularly scheduled meeting of the City Council of the City of Lindsay, held February 10, 2015, at the hour of 6:00 p.m. in the Council Chambers at City Hall, Lindsay, California 93247, the following resolution was adopted:

WHEREAS, The State of California, Department of Housing and Community Development (Department) has issued a Notice of Funding Availability dated December 10, 2014 (NOFA), under its Housing Related Parks (HRP) Program; and

WHEREAS, The City of Lindsay desires to apply for a HRP Program grant and submit the 2014 Designated Program Year Application Package released by the Department for the HRP Program; and

WHEREAS, The Department is authorized to approve funding allocations for the HRP Program, subject to the terms and conditions of the NOFA, Program Guidelines, Application Package and Standard Agreement, and

NOW THEREFORE BE IT RESOLVED THAT:

1. Applicant is hereby authorized and directed to apply for and submit to the Department the HRP Program Application Package released December 10, 2014 for the 2014 Designated Program Year in an amount not to exceed $200,000.00. If the application is approved, the Applicant is hereby authorized and directed to enter into, execute and deliver a State of California Standard Agreement (Standard Agreement) in an amount not to exceed $200,000.00 and any and all other documents required or deemed necessary or appropriate to secure the HRP Program Grant from the Department and all other amendments thereto (collectively, the "HRP Gant Documents").

2. Applicant shall be subject to the terms and conditions as specified in the Standard Agreement. Funds are to be used for allowable capital asset project expenditures to be identified in Exhibit A of the Standard Agreement. The Application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided and timelines represented in the applications are enforceable through the Standard Agreement. Applicant hereby agrees to use the funds for eligible capital asset(s) in the manner presented in the application as approved by the Department and in accordance with the NOFA, Program Guidelines and Application Package.

3. That the City Manager is authorized to execute, on behalf of the Applicant, the HRP Program Application Package and the HRP Grant Documents as required by the Department for participation in the HRP Program.

PASSED AND ADOPTED by the City Council of the City of Lindsay this 10th day of February, 2015.

ATTEST: CITY COUNCIL OF THE CITY OF LINDSAY

_____ _____

Carmela Wilson, City Clerk Ramona Villarreal Padilla, Mayor

San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

GOVERNING BOARD

Tom Wheeler, Chair
Supervisor, Madera County

Oliver L. Baines III, Vice Chair
Councilmember, City of Fresno

Sally J. Bomprezzi
Councilmember, City of Madera

Dennis Brazil
Mayor, City of Gustine

John Capitman, Ph.D.
Appointed by Governor

David Couch
Supervisor, Kern County

Bob Elliott
Supervisor, San Joaquin County

Harold Hanson
Councilmember, City of Bakersfield

Buddy Mendes
Supervisor, Fresno County

William O'Brien
Supervisor, Stanislaus County

Craig Pedersen
Supervisor, Kings County

Alexander C. Sherriffs, M.D.
Appointed by Governor

Vacant
Small City – Tulare County

Hub Walsh
Supervisor, Merced County

J. Steven Worthley
Supervisor, Tulare County

Seyed Sadredin
Executive Director
Air Pollution Control Officer

Northern Region Office
4800 Enterprise Way
Modesto, CA 95356-8718
(209) 557-6400 • FAX (209) 557-6475

Central Region Office
1990 East Gettysburg Avenue
Fresno, CA 93726-0244
(559) 230-6000 • FAX (559) 230-6061

Southern Region Office
34946 Flyover Court
Bakersfield, CA 93308-9725
(661) 392-5500 • FAX (661) 392-5585

www.valleyair.org

January 30, 2015

Carmela Wilson, City Clerk
City of Lindsay
P.O. Box 369
Lindsay, CA 93247

RE: APPOINTMENT TO THE GOVERNING BOARD OF THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT (DISTRICT)

Dear Ms. Wilson:

There is currently a vacancy on the District's Governing Board that must be filled by a Council Member from a small city in Tulare County. Pursuant to the Health and Safety Code Section 40600.5, appointments to the District's Governing Board will be made by the San Joaquin Valley Special City Selection Committee (Committee). According to the procedures adopted by the Committee, the next step in the appointment process is for all cities within Tulare County to choose from candidate(s) having applied for the vacant position. The following candidates have expressed an interest in the position:

Council Member Virginia Gurrola, City of Porterville
Council Member Rudy Mendoza, City of Woodlake

Your City Council must vote on your preferred candidate from above to forward to the Committee for appointment to the District's Governing Board. The vote must take place as an item on your City Council's publicly noticed agenda, and be discussed during your regularly scheduled City Council meeting. Attached is a sample resolution for your consideration. Also attached are copies of the candidates' applications.

In order for your city's vote to be counted towards nomination to the Committee, you must return a copy of your City Council Resolution on this matter to the District by **February 27, 2015**, addressed as follows:

Seyed Sadredin
Executive Director/APCO
San Joaquin Valley Unified APCD
1990 E. Gettysburg Avenue
Fresno, CA 93726

Thank you in advance for your timely action on this matter. If you have any questions, please call me at (559) 230-6036.

Sincerely,

Seyed Sadredin
Executive Director/APCO

Attachments:
Sample Resolution (1 Page)
Candidate Applications

SAMPLE RESOLUTION

WHEREAS, Health and Safety Code Section 40600.5 created a Special City Selection Committee for the appointment of city members of the San Joaquin Valley Air Pollution Control District (District) Governing Board, and

WHEREAS, The Special City Selection Committee has adopted procedures for making their appointments, and there is currently a vacancy and a need to appoint a city council member representing a "small" city with a population of less than 100,000 from Tulare County to the District Governing Board, and

WHEREAS, In selecting a nominee for appointment by the Special City Selection Committee to the District Governing Board, the City Council considered the application materials from the eligible candidates, and

WHEREAS, The vote to select a nominee took place as an item on the publicly noticed agenda and was discussed during the normal city council meeting with time for public comment.

NOW, THEREFORE, BE IT RESOLVED that the City of (put the city name here) nominates _____to the Special City Selection Committee for appointment to the District Governing Board.

ADOPTED by the City of _____ on this Date_____

AYES:
NOES:
ABSENT:

_____
Council President

ATTEST:

City Clerk

By_____

Received
JAN 14 2015
Executive Office
SJVAPCD

San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

APPLICATION FOR APPOINTMENT AS A CITY REPRESENTATIVE ON GOVERNING BOARD OF THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT

Current Vacancies

Small City: *One member representing the cities with a population less than 100,000 from Tulare County. Councilmembers from Dinuba, Exeter, Farmersville, Lindsay, Porterville, Tulare and Woodlake are eligible to apply.*

If you are an elected official on the council of the cities identified above, you may submit an application for appointment to the Governing Board of the San Joaquin Valley Air Pollution Control District.

Applicant Name: Virginia Gurrola

Residence Address (Must live within the boundaries of the San Joaquin Valley APCD): 1441 W. Brian Ln, Porterville, CA. 93257

Mailing Address: Same

Telephone: (559) 359-5632 Primary (559) 781-2704 Alt.

Email Address: Virginiagurrola@porterville.ca.gov

Applicant Signature: Virginia Gurrola **Date:** 1-12-15

Please submit this form along with any other pertinent information (e.g., resume, candidate statement, education, experience) that you desire to be considered to the address below. **Please limit candidate statement to no more than one page.** Please complete this application and return it by **January 15, 2015** to:

Seyed Sadredin
Air Pollution Control Officer
San Joaquin Valley APCD
1990 E. Gettysburg Avenue, Fresno, CA, 93726

San Joaquin Valley Air Pollution Control District Candidate Statement
Virginia Gurrola, Councilmember for the City of Porterville

I am submitting this notice of interest for the position as a city representative on the Governing Board of the San Joaquin Valley Air Pollution Control District. It will be a privilege to serve on the board representing the cities of Tulare County and humbly ask for your support. For your convenience I've provided a statement with my background and experience.

I was born and raised in Lindsay. Married for forty five years to Sal Gurrola and are the proud parents to three sons and nine grandchildren. Our family has lived in Porterville for over 30 years.

I graduated from Lindsay High School in 1969. At this time a college education was not attainable due to the cost of enrollment. In 1976 I enrolled at Porterville College and graduated with an AA degree, then began the commute to Cal State Bakersfield completing my BA degree in Public Administration.

Pursuing a career in education began as an instructional aide for Lindsay Unified School District before moving on to start my thirty seven years with Porterville College. Here I held various directorship positions with the Extended Opportunity Program and Services (EOPS); Financial Aid Department; Executive Director of the Porterville College Foundation; Matriculation Services; Admissions and Records. My advice to students is "an education is something that can never be taken from you!" I retired from Porterville College in 2013.

In 1995 I was elected on the Porterville City Council serving as Councilmember, Vice Mayor and Mayor until 2003. In 2012 I was elected back on to the city council and appointed Mayor. I currently serve as a councilmember. During my terms on council it's been a privilege to see the completion of the Sports Complex; widening of Main and Plano Street Bridges; the Heritage Center; the revitalization of the Orange-Date Street corridor; and the opening of Panera Bread.

My community involvement includes serving as Past President for the Family Crises Center (FCC). As a board member I am commitment to changing the lives of children who have been affected by issues of domestic violence, homelessness and substance abuse through my involvement on the FCC board. In addition I serve as the Vice President to the American Association of University Women (AAUW). The AAUW is an organization committed to the support of breaking through educational and economic barriers for women and girls to advance higher education.

Currently a member on:

San Joaquin Valley Special City Selection Committee
Tulare County Transportation Planning Agency
Tulare County Association of Governments

- Tulare County Mitigation Committee
- Rail Advisory Committee

Served as a member on:

President of the Comision Honorifica
Secretary and member to Tulare County Integrated Waste Management Joint Powers
League of California Cities State Policy Committee on Housing, Community, and Economic Development
Tulare County Council of Cities
Tulare County Business Incentive Zone Council
City of Porterville Joint City/School Committee
California Community College State Committees

San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

RECEIVED
JAN 14 2015
CLERK OF THE BOARDS
SJVAPCD

APPLICATION FOR APPOINTMENT AS A CITY REPRESENTATIVE ON GOVERNING BOARD OF THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT

Current Vacancies
Small City: *One member representing the cities with a population less than 100,000 from Tulare County. Councilmembers from Dinuba, Exeter, Farmersville, Lindsay, Porterville, Tulare and Woodlake are eligible to apply.*

If you are an elected official on the council of the cities identified above, you may submit an application for appointment to the Governing Board of the San Joaquin Valley Air Pollution Control District.

Applicant Name: RUDY MENDOZA

Residence Address (Must live within the boundaries of the San Joaquin Valley APCD):
369 LEMONA STREET WOODLAKE CA 93286

Mailing Address:

Telephone: (559) 303-4860 Primary (559) 564-8055 Alt.

Email Address: RUDY4WOODLAKE@YAHOO.COM

Applicant Signature: R. Mendoza **Date:** 1-9-15

Please submit this form along with any other pertinent information (e.g., resume, candidate statement, education, experience) that you desire to be considered to the address below. **Please limit candidate statement to no more than one page.** Please complete this application and return it by **January 15, 2015** to:

Seyed Sadredin
Air Pollution Control Officer
San Joaquin Valley APCD
1990 E. Gettysburg Avenue, Fresno, CA, 93726

City of Woodlake - Mayor

First elected to the Woodlake City Council in 2008, Mr. Mendoza is currently serving on his second term and has been reappointed as Mayor for the second consecutive two year term by his peers. The City of Woodlake is a Charter city with a population of 7,711 residents and an annual overall budget of twelve million dollars. The City of Woodlake provides Police protection with an independent fire district providing fire protection. The City of Woodlake currently employs 33 employees.

Tulare County Association of Governments – Recent Past Vice Chairman Board of Governors

The Tulare County Association of Governments (TCAG) is responsible for overseeing and planning transportation projects with the county and each of its cities, helping to bring tax money back home to fund bus service, road improvements, highway 99 widening and projects that will improve our air quality, and more.

San Joaquin Valley Regional Policy Council – Member

The Policy Council provides guidance on common interregional policy issues and also represents the San Joaquin Valley at public forums such as the California Transportation Commission, the Governor and his administration, and State and Federal legislative bodies that require a common voice from the San Joaquin Valley. The San Joaquin Valley Regional Policy Council consists of two elected officials and one alternate appointed from each of the regional planning agencies policy boards in the San Joaquin Valley.

Tulare County Water Commission - Commissioner

The Tulare County Water Commission is designed to examine a wide variety of water issues that impact Tulare County. The Water Commission serves as an advisory body to the Tulare County Board of Supervisors. The Commission is made up of local water experts including engineers, water district managers, elected officials and community activists.

California Van Pool Authority – Board of Directors

CalVans is a Joint Powers Public Transportation Agency comprised of a number of Local Transportation Planning Agencies. Each of the agencies appoints a representative to sit on the CalVans Board and represent their area. The Board Members serve as local representatives providing input and direction to the Agency.

Local Area Formation Commission – Current Vice Chairman

The Tulare County LAFCO is responsible for coordinating logical and timely changes in local governmental boundaries, conducting special studies which review ways to reorganize, simplify, and streamline governmental structure and preparing Spheres of Influence for each city and special district within each county. The Commission's efforts are directed to seeing that services are provided efficiently and economically while agricultural and open-space lands are protected.

Small Business Development Center - Advisor

The Fresno State Small Business Development Center (SBDC) provides one-on-one business consulting, workshops, research, and online learning services. The SBDC provides entrepreneurs and small businesses with high-quality education, consulting, support for innovation, access to information, and tools necessary to build successful sustainable businesses. The Visalia SBDC is affiliated with the Fresno State SBDC which is part of the UC Merced SBDC regional network.

CITY OF LINDSAY
DEPARTMENT HEAD, PUBLIC SAFETY DIRETOR
AND INTERIM CITY MANAGER EMPLOYMENT AGREEMENT

THIS AGREEMENT, effective the 1st day of February, 2015 (hereinafter "**Employment Agreement**"), is made by and between the City of Lindsay, California, a municipal corporation (hereinafter referred to as "**Employer**"), as determined by the City Council thereof and as signified by this Employment signed by the Mayor of the City of Lindsay, and Richard Wilkinson (hereinafter referred to as "**Employee**"),

WITNESSETH:

WHEREAS, Employer desires to hire Richard Wilkinson as Director of Public Safety and Interim Manager for the City of Lindsay;

WHEREAS, Richard Wilkinson desires to be employed as Director of Public Safety and Interim City Manager;

WHEREAS, it is the desire and intent of the parties to create an employment agreement;

WHEREAS, Employer desires to employ the services of Richard Wilkinson, as Interim City Manager of the City as provided by Article IV of the Charter of the City of Lindsay;

WHEREAS, pursuant to the requirement of the Lindsay City Charter, Section 7.02(A), the Employer has determined that Employee is qualified in the field of expertise encompassed within the department of assignment, more particularly described as the Public Safety Director if the City of Lindsay, as provided in Chapter 2.20 of the Lindsay Municipal Code;

WHEREAS, it is the desire of the Employer to provide certain benefits, establish certain conditions of employment, to set working conditions, goals and objectives, periodic and regular performance evaluations, and to provide for other subjects relative to the status of Interim City Manager and Department Head within this Employment Agreement; AND

WHEREAS, it is the desire of the Employer to (1) secure and retain the services of Employee and to provide inducement for him to remain in such employment with Employer; (2) to make possible full work productivity by assuring the morale and peace of mind with respect to

future security of Employee; and (3) to provide a just means for terminating the service of Employee at such time as he may be unable to fully discharge the duties of the assigned position due to inability or disability, or when Employer may otherwise desire to terminate the employment of Employee;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree to enter into this Employment Agreement as follows:

SECTION 1: DUTIES

Employer hereby agrees to employ Employee as Director of Public Safety and Interim Manager of the City of Lindsay to perform duties and functions specified in said Chapter 2.08 and Chapter 2.20 of the Lindsay Municipal Code, and to perform such other legally permissible and proper duties and functions as the City Manager and City Council shall from time to time assign.

SECTION II: COMPENSATION

Employer agrees to pay Employee for his services rendered pursuant hereto an annual base salary of one hundred and thirty eight thousand nine hundred and ninety three dollars ($138,993.00), payable in biweekly installments at the same time as other employees of Employer are paid.

Employer agrees to review said salary annually during budget presentation and, as appropriate in the judgment of Employer through the City Council, adjust said salary and/or benefits.

Should Employee be called upon by Employer to perform services for the Lindsay Financing Authority outside the normal scope of his employment, and in the event that compensation for said services is reimbursed to the Agency by a third party, then the rate of compensation to the Employee for all that time worked beyond the traditional forty (40) hour work week, shall be at a rate of the one-and-one-half times the aggregate hourly rate of that Director of Public Safety.

Employee shall receive an additional 5.0% of base salary ("**Differential**") due to his additional service as Interim City Manager, paid at the same times and in the same manner as other employees of the Employer are paid. When the Employee's Interim Manager duties cease as stated in Section III(A) below, it is agreed that the **Differential** shall no longer be payable to the Employee.

SECTION III: TERM AND TERMINATION OF SERVICES

A. Interim Manager. The term of Employee's service as Interim Manager shall be indefinite until one of the following occurs:

i. City Council appoints a new Interim Manager;

ii. Employee ends his employment with Employer in his role as Director of Public Safety; or

iii. City Council hires a new City Manager.

Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of the Interim Manager at any time, provided that such termination shall be subject to the provisions of Section IV herein below. The Interim Manager may be removed by a majority vote of the total City Council members. Any termination of Interim Manager shall be made by giving him written notice seven (7) days in advance.

B. Director of Public Safety. The term Employee's service as Director of Public Safety shall be for a period of three (3) years. Nothing in this Employment Agreement shall prevent, limit, or otherwise interfere with the right of the Employer, through the City Manager, to terminate the services of the Employee as Director of Public Safety at any time, subject only to the provisions set forth in Section IV of this of this Employment Agreement, or to reorganize the functions and activities of the department to which the Director of Public Safety is assigned, provided, however, that any such reorganization shall be subject to appropriate amendment to Title 2 of the Lindsay Municipal Code, except that Director of Public Safety may not be

terminated without cause within the first twelve (12) months of the hiring of a permanent City Manager.

Nothing in this Employment Agreement shall prevent, limit, or otherwise interfere with the right of the Director of Public Safety to resign at any time from his position with Employer, subject only to the provisions set forth in Section IV, addressing voluntary resignation.

By signing this Employment Agreement, the Employee acknowledges that his employment, as both Director of Public Safety and Interim Manager, is in an "at will" capacity and as such, he may be terminated at any time, with or without cause, subject to the terms in Section IV below.

SECTION IV: TERMINATION AND SEVERANCE PAY

In the event that the Employee is terminated by the Employer prior to February 1, 2018, and during such time that Employee is willing and able to perform his duties under this Employment Agreement, then, in that event, Employer agrees to pay Employee a lump sum payment equal to six (6) months of salary, subject to any applicable withholdings, provided, however, that in the event the Employee is terminated because of his conviction of any illegal act involving personal gain to him, then, in that event, Employer shall not pay the aggregate severance sum designated in this paragraph.

In the event the Employee voluntarily resigns his position before expiration of the aforestated term of employment, then the Employee shall give Employer two (2) months notice, in writing, in advance, unless the parties hereto otherwise agree in writing. In such case of voluntary resignation, no severance pay shall be due.

Notwithstanding the above provisions of this Section, in the event the Employee is terminated for cause, as defined in the Employer's personnel rules and regulations and as determined by the City Council, or he is terminated and a court of competent jurisdiction finds and determines that he is guilty of an illegal act involving moral turpitude or personal gain, then, in that event, the Employer shall have no obligation to pay the aggregate severance sum designated hereinabove in this Section.

SECTION V: DISABILITY

If Employee is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health, as determined in writing by a medical doctor designated by the Employer, and such disability extends for a period of eight consecutive weeks beyond any accrued sick leave or seventy (70) working days over a ninety (90) day working period, then Employer shall have the option to terminate the Employment Agreement, subject to the severance pay requirements of Section IV hereof; and, provided further, that in all events of termination any circumstances, Employee shall be compensated for any accrued vacation, holiday, compensatory time and other benefits which might have accrued to Employee but remain unused at such date of such termination.

SECTION VI: SUSPENSION

The Employer may suspend Employee with full pay and benefits at any time during the term of this Employment Agreement, but only if:

A. Private consultation has been held between the Employer and Employee regarding the reasons for such suspension;

B. Allegation of criminal activity, malfeasance, or malfeasance has been made regarding the Employee, which, in the judgment of the Employer, is such that such suspension would be warranted; or

C. It is requested and agreed to by the Employee.

SECTION VII: PERFORMANCE EVALUATION

A. Director of Public Safety. The City Manager and the Director of Public Safety shall meet at least once annually, in advance of the adoption of the annual operating budget, mutually establish goals and performance objectives desired by the City Manager to be accomplished by the Director of Public Safety, and the accomplishment of such goals and objectives shall be a consideration in the determination of base salary increases.

Such goals and objectives shall be reduced to writing, and generally shall be attainable within the time limitations as specified and the annual operating capital budgets and appropriations provided. Such goals and objectives may be revised, added to or deleted jointly by City Manager and Director of Public Safety from time to time, in writing.

Employer shall provide Director of Public Safety with a summary written statement of his evaluation of each mutual review of goals, objectives and performance review, and provide the Director of Public Safety adequate opportunity to discuss the evaluation with Employer.

SECTION VIII: DIRECTOR OF PUBLIC SAFETY HOURS OF WORK

It is recognized that Director of Public Safety must devote a significant amount of time to City business outside what are considered to be "normal" office hours, and to the end of being equitable in the establishment of work hours, Director of Public Safety will be given administrative leave, to accrue on a monthly basis, in the annual amount of ten (10) days per year. The Director of Public Safety may take said administrative leave time, if requested in writing, provided such time off does not unduly interfere with the normal duties of the Director of Public Safety, in the judgment of the Employer.

In the event such administrative leave time would unduly interfere with the normal duties of Director of Public Safety, and monies are budgeted and available, Employer may authorize payment for such unused compensatory time off accrued but untaken during the prior fiscal year.

SECTION IX: OUTSIDE ACTIVITIES

Employee shall not spend more than ten (10) hours per week in teaching, consulting or other non-employer connected employment, except for military reserve duty, without prior approval of the Employer.

SECTION X: AUTOMOBILE AND AUTO EXPENSES

While Director of Public Safety, Employer shall provide the Director and his spouse exclusive and unrestricted use, at all times, of Employer owned and maintained vehicle of a type appropriate to the duties assigned to the Director of Public Safety. Employer shall provide

liability, property damage and comprehensive insurance, and for the purchase, cost of operation, maintenance, repair and regular replacement of such assigned vehicle.

Employer shall furnish insurance coverage, indemnifying Employee from all risks incurred during utilization of an Employee-owned vehicle when utilized in the conduct of Employer's business.

SECTION XI: VACATION, SICK LEAVE, AND MILITARY LEAVE

Director of Public Safety shall accrue, and have credited to his personal account, vacation and sick leave at the same rate as other management employees of Employer within the department which Employee supervises.

Director of Public Safety shall be entitled to military reserve leave time pursuant to Federal and State law and City policy.

All provisions of the City Charter and Code and Rules and Regulations of the City relating to vacation, sick leave, retirement and pension system contributions, holidays and other fringe benefits and working conditions as they now exist or hereafter may be amended shall apply to the Employee as they would to other management employees of the City, in addition to any other benefits enumerated herein specifically for the benefit of the Employee, except as otherwise provided in this Employment Agreement.

SECTION XII: FICA

Employer agrees to make all contributions to the FICA system on behalf of the Employee, including both the Employer and Employee shares, which account shall accrue to the benefit of the Employee.

SECTION XIII: DISABILITY, HEALTH AND LIFE INSURANCE

Employer agrees to put into force and to make required premium payments for Employee for the following insurance policies and coverages:

A. Term life insurance equal to the annual salary of Employee, with the beneficiary named by Employee;

B. Travel accident insurance as per the policies of the Central San Joaquin Valley Risk Management Authority and management-level employees;

C. Medical, surgical and comprehensive hospitalization, dental and vision insurance equal to that provided to employees in general within the corresponding department;

D. Any fidelity bond or other bond required of Employee for the benefit of or required by Employer or by law;

Employer shall pay $150 toward annual physical for Employee.

SECTION XIV: RETIREMENT

Employer agrees to make all contributions to the California Public Employees Retirement System (PERS), including both Employer and Employee shares, which account shall accrue to the benefit of Employee.

Employer agrees to match Employee contributions to City approved, deferred compensation plan in an amount not to exceed ten percent (10%) of base salary Employer agrees to budget and pay for the professional dues and subscriptions of Employee necessary for his continuing and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional participation, growth and knowledge enhancement, and for the benefit of the Employer.

SECTION XV: DUES, TRAVEL, CONFERENCES, AND SUBSCRIPTIONS

While Interim Manager, Employer agrees to budget and pay for the professional dues and subscriptions of Employee necessary for his continuing and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional participation, growth and knowledge enhancement, and for the benefit of the Employer.

A. Interim Manager's Travel Expenses. While Interim Manager, the Employer hereby agrees to annually budget and allocate sufficient funds to pay for the dues and expenses of the Interim Manager's necessary travel and living while representing the Employer at the Annual League of California Cities Conference, conferences of the City Manager's Department

of the League of California Cities and conferences or meetings of state committees or commissions upon which the Manager serves as a member, said membership on said committees or commissions being subject to the approval of the Council, and for such other official conferences, meetings and/or travel as are reasonably necessary for the Interim Manager to carry out his professional responsibilities as the appointed executive of the City.

B. Professional Development of Department Head. Employer agrees to budget and to pay for the travel, subsistence, registration and incidental expenses of Director of Public Safety for professional development and official travel meetings and occasions adequate to continue the professional growth and development and to pursue adequately the necessary official and other functions of Employer, subject to the approval of the City Manager.

SECTION XVI: GENERAL EXPENSES

Employer recognizes that certain expenses of a non personal and generally job related nature are incurred by Employee while performing his duties, and Employer hereby agrees to reimburse or to pay said general expenses, as determined appropriate by the Employer through the City Manager, and the Finance Director is hereby authorized to disburse such monies upon receipt of duly executed expense or petty cash vouchers, receipts, statements, or personal affidavits. Such receipts and supporting documentation shall he made available to the Mayor and City Council, and the City Council may designate one of its members or another individual to audit the Employee's expenses.

The Interim Manager shall provide the City Council with all of his expense and reimbursement records for each year prior to his annual performance evaluation.

SECTION XVII: CLUB MEMBERSHIP

While Interim Manager, Employer recognizes the desirability of representation in and before local civic and service clubs and other such organizations as Department Head and Interim Manager and Employer mutually shall agree to be beneficial to Employer, and Employee

is hereby authorized to become a member of a civic club approved by Employer, for which Employer shall pay annual dues and subscriptions.

SECTION XVIII: INDEMNIFICATION

Employer shall defend, save harmless and indemnify Employee against any tort, professional liability claim or demand, or other legal action of any nature, whether groundless or otherwise, arising out of an alleged action or omission occurring in the performance of his duties. Employer may compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon when, in the judgment of the Employer, such is the most advisable course of action but, in any event, will indemnify Employee.

SECTION XIX: OTHER TERMS AND CONDITIONS OF EMPLOYMENT

Employer, may set such other terms and conditions of employment as they may determine from time to time relating to the assignment and performance of duties and responsibilities assigned to Employee, provided such terms and conditions are not inconsistent with or in conflict with other provisions of this Employment Agreement, the City Charter, federal or state law, or the decisions of courts of competent jurisdiction.

All provisions of the City Charter, Municipal Code, and rules and regulations of Employer relating to vacation leave, sick leave, insurance, retirement/pension system contributions, holiday and other fringe benefits of whatever type or nature, and working conditions as they may now exist or hereafter be amended, shall also apply to Employee as they would to other management employees of Employer, in addition to said benefits enumerated herein specifically for the benefit of Employee, except as herein provided, and such benefits may not be diminished during the term of this Employment Agreement without written consent of Employee. Employee shall be entitled to be paid for all accrued vacation and holiday time in accordance with policies established for all employees.

Employer shall not at any time during the term of this Employment Agreement reduce salary, compensation, or other financial benefits of Employee, except to the degree of such an across-the- board reduction for all management employees of Employer.

The parties shall, by amendment to this Employment Agreement, fix such other terms and conditions of employment from time to time as may be determined relating to the performance of the Employee, provided such terms and conditions are not inconsistent or in conflict with the provisions of this Employment Agreement or City Charter.

SECTION XX: NOTICES

Notices pursuant to this Employment Agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

A. EMPLOYER Mayor, City Hall
251 East Honolulu Street
Lindsay, CA 93247

B. EMPLOYEE Richard Wilkinson
[redacted]
Porterville CA 93257

Alternatively, notices required pursuant to this Employment Agreement may be personally served in the same manner as is applicable to Civil Judicial practice.

Notice shall be deemed given as of the date of personal service, or as of the date of deposit of such written notice in the United States Postal Service.

SECTION XXI: GENERAL PROVISIONS

The text hereof shall constitute the entire agreement between the parties hereto. Any previous written or oral agreements executed between the Employer and Employee are terminated, including, but not limited to, City of Lindsay Department Head Employment Agreement- Public Safety Director, dated September 16, 2008 (attached hereto as Exhibit "A"), Employment Agreement Between the City of Lindsay and Richard A. Wilkinson, dated June 14, 2011 (attached hereto as Exhibit "B") and Addendum No. 1 to Employment Agreement Between the City of Lindsay and Richard A. Wilkinson, dated June 14, 2012 (attached hereto as Exhibit "C").

This Employment Agreement shall be binding on and inure to the benefit of the heirs of law and executors of Employee.

If any provision or portion of this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of this Agreement shall not be affected and shall remain in full force and effect.

Pursuant to City Charter Section 7.02(C), this Agreement shall be a public record, on file with the City Clerk and available to the public per the requirements and procedures of the California Public Records Act.

APPROVED AND AUTHORIZED:

_____
Ramona Villarreal-Padilla, Mayor
For the City of Lindsay as Employer

ACCEPTED AND AGREED TO:

_____
Richard Wilkinson, Department
Head and Interim City Manager

ATTESTED TO BY:

_____
Carmela Wilson, City Clerk